



TOWN OF DISCOVERY BAY
A COMMUNITY SERVICES DISTRICT



President – Bill Pease • Vice-President – Bob Leete • Director – Kevin Graves • Director – Mark Simon • Director – Chris Steele

**TOWN OF DISCOVERY BAY
COMMUNITY SERVICES DISTRICT
AGENDA PACKET**

For the Regular Meeting of Wednesday

July 20, 2016

7:00 P.M. Regular Meeting

Community Center
1601 Discovery Bay Boulevard



TOWN OF DISCOVERY BAY

A COMMUNITY SERVICES DISTRICT



President – Bill Pease • Vice-President – Robert Leete • Director – Kevin Graves • Director – Mark Simon • Director – Chris Steele

NOTICE OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE TOWN OF DISCOVERY BAY

Wednesday July 20, 2016

REGULAR MEETING 7:00 P.M.

Community Center

1601 Discovery Bay Boulevard, Discovery Bay, California

Website address: www.todb.ca.gov

REGULAR MEETING 7:00 P.M.

A. ROLL CALL AND PLEDGE OF ALLEGIANCE

1. Call business meeting to order 7:00 p.m.
2. Pledge of Allegiance
3. Roll Call

B. PUBLIC COMMENTS (Individual Public Comments will be limited to a 3-minute time limit)

During Public Comments, the public may address the Board on any issue within the District's jurisdiction which is not on the agenda. The public may comment on any item on the Agenda at the time that item is before the Board for consideration. Any person wishing to speak must come up and speak from the podium. There will be no dialog between the Board and the commenter. Any clarifying questions from the Board must go through the Chair.

C. AREA AGENCIES REPORTS / PRESENTATION

1. East Contra Costa Fire Protection District Report

D. CONSENT CALENDAR

All matters listed under the CONSENT CALENDAR are considered by the District to be routine and will be enacted by one motion.

1. Approval of DRAFT minutes of special meeting for July 6, 2016
2. Approval of DRAFT minutes of regular meeting for July 6, 2016
3. Approval of DRAFT minutes of special meeting for July 12, 2016
4. Approve Register of District Invoices

E. MONTHLY WATER AND WASTEWATER REPORT – VEOLIA

1. Veolia Report – Month of June 2016

F. BUSINESS AND ACTION ITEMS

1. Open the public hearing on Resolution 2016-10 - rate increase and rate adoption subject to Prop 218, accept any public comments, close the public hearing and consider adopting Resolution No. 2016-10.
2. Open the public hearing on Resolution No. 2016-11 - Ravenswood Zone 9 Assessment Report FY 2016-17 - County Tax Roll, accept any public comments, close the public hearing and consider adopting Resolution No. 2016-11, which allows for a 3.1% assessment increase.
3. Consider approval of Resolution No. 2016-12 Annual Discovery Bay Lighting and Landscape Zone #8 Appropriations Limit for FY 2016/17.
4. Consider approval of Board Member attendance to the Conference of the California Special District Association (CSDA) in San Diego, October 10th through 13th.
5. Consider approval of Proposal #56712, Submitted by Commercial Tree Service on 5/26/2016. Pruning 200 Palm trees in Zone 8 for the total sum of \$22,925.00 and authorize the General Manager to sign the contract.
6. Accept recommendation from Finance Committee regarding the financing of the Effluent Filtration Project, the Water Meter Project, and the Proposed Well 8.

G. INFORMATIONAL ITEMS ONLY (NO ACTION NECESSARY)

H. PRESENTATIONS

I. PRESIDENT REPORT AND DIRECTORS' COMMENTS

J. MANAGER'S REPORTS – Discussion and Possible Action

K. GENERAL MANAGER'S REPORT – Discussion and Possible Action

L. DISTRICT LEGAL COUNSEL REPORT

M. SUB-COMMITTEE UPDATES – Discussion and Possible Action

N. CORRESPONDENCE – Discussion and Possible Action

1. Received – Discovery Bay P-6 Zone Citizen Advisory Committee meeting minutes 04-12-2016
2. Received – Contra Costa County Aviation Committee meeting minutes 04-14-2016
3. Received – Contra Costa County Aviation Committee meeting minutes 05-12-2016
4. Received – East Contra Costa Fire Protection District meeting minutes 06-06-2016
5. Received – East Contra Costa Fire Protection District meeting minutes 06-20-2016
6. Received – Letter regarding Tennis – 06-17-2016
7. Received – Letter regarding Tennis – 07-08-2016
8. Received – Letter regarding Tennis – 07-10-2016

O. PUBLIC RECORD REQUESTS RECEIVED

P. FUTURE AGENDA ITEMS

Q. ADJOURNMENT

1. Adjourn to the next Regular meeting of August 3, 2016 starting at 7:00 p.m. at the Community Center located at 1601 Discovery Bay Boulevard.

"This agenda shall be made available upon request in alternative formats to persons with a disability, as required by the American with Disabilities Act of 1990 (42 U.S.C. § 12132) and the Ralph M. Brown Act (California Government Code § 54954.2). Persons requesting a disability related modification or accommodation in order to participate in the meeting should contact the Town of Discovery Bay, at (925)634-1131, during regular business hours, at least twenty-four hours prior to the time of the meeting."

"Materials related to an item on the Agenda submitted to the Town of Discovery Bay CSD after distribution of the agenda packet are available for public inspection in the District Office located at 1800 Willow Lake Road during normal business hours."



TOWN OF DISCOVERY BAY

A COMMUNITY SERVICES DISTRICT



President – Bill Pease • Vice-President – Bob Leete • Director – Kevin Graves • Director – Mark Simon • Director – Chris Steele

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE TOWN OF DISCOVERY BAY CSD

Wednesday, July 6, 2016

SPECIAL MEETING - 5:30 P.M.

Community Center

1601 Discovery Bay Boulevard, Discovery Bay, California

Website address: www.todb.ca.gov

SPECIAL MEETING AT – 5:30 P.M.

A. ROLL CALL

1. Call business meeting to order 5:30 p.m. – By President Pease
2. Roll Call – All Present

B. PUBLIC COMMENT

None

C. OPEN SESSION DISCLOSURE OF CLOSED SESSION AGENDA

(Government Code Section 54957.7)

Legal Counsel Attebery – The Board is now adjourning into closed session regarding item D-1.

D. CLOSED SESSION:

1. Public Employee Appointment pursuant to CA Government Code Section 54957
Title: General Manager
(Review of Potential Candidate Resumes)

E. RETURN TO OPEN SESSION; REPORT ON CLOSED SESSION

(Government Code Section 54957.1)

Legal Counsel Attebery – The Board has reconvened from closed session and there is no reportable action.

F. ADJOURNMENT

1. The meeting adjourned at 6:35 p.m. to the Regular Meeting on July 20, 2016 at 7:00 p.m. at the Community Center located at 1601 Discovery Bay Boulevard.

//cmc – 07-12-16

<http://www.todb.ca.gov/agendas-minutes>



TOWN OF DISCOVERY BAY

A COMMUNITY SERVICES DISTRICT



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MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE TOWN OF DISCOVERY BAY

Wednesday July 6, 2016

REGULAR MEETING 7:00 P.M.

Community Center

1601 Discovery Bay Boulevard, Discovery Bay, California

Website address: www.todb.ca.gov

REGULAR MEETING 7:00 P.M.

A. ROLL CALL AND PLEDGE OF ALLEGIANCE

1. Call business meeting to order 7:00 p.m. – By President Pease
2. Pledge of Allegiance – Led by Director Steele
3. Roll Call – All Present

B. PUBLIC COMMENTS (Individual Public Comments will be limited to a 3-minute time limit)

- 1) Public Commenters – Regarding vacation rental on Beaver Lane – problems with parking etc.; 2) Regarding Cornell Park upkeep; 3) Regarding Tennis at the Community Center; 4) Regarding traffic situation on Discovery Point; 5) Regarding citations written for fireworks.

C. AREA AGENCIES REPORTS / PRESENTATION

- 1 Sheriff's Office Report - Crime Prevention Specialist Fontenot - Provided the law enforcement report for the month of June and the number of calls within the month. Also, stated that providing time of day for speeding problems or for other types of concerns will help the Sheriff's Department find the violators.
2. CHP Report - Officer Thomas – Provided an update of the services to the Town of Discovery Bay regarding citations issued, will also pass on the traffic situation on Discovery Point to other CHP staff.
3. East Contra Costa Fire Protection District Report - Chief Henderson will be attending the July 20, 2016 meeting and provide an update.
4. Supervisor Mary Piepho, District III Report - Alicia Nuchols Field Representative – she was unable to attend the meeting due to attending another meeting. Interim General Manager provided an announcement regarding the P-6 meeting that will be held at the Community Center on Wednesday, July 13, 2016 at 6:00 p.m.

D. COMMITTEE/LIAISON REPORTS

1. Trans-Plan Report – No report
 2. County Planning Commission Report – No report
 3. Code Enforcement Report – Vice-President Leete attended the meeting on June 30, 2016 and provided the details regarding issues on Drakes Drive, abandon vehicles; Code Enforcement is working on the problem.
 4. Special Districts Report** – No report
- ***These meetings are held Quarterly*

E. CONSENT CALENDAR

All matters listed under the CONSENT CALENDAR are considered by the District to be routine and will be enacted by one motion.

1. Approval of DRAFT minutes of special meeting for June 15, 2016
2. Approval of DRAFT minutes of regular meeting for June 15, 2016

3. Approval of DRAFT minutes of special meeting for June 21, 2016

4. Approve Register of District Invoices

Motion by: Director Simon to approve the Consent Calendar

Second by: Director Graves

Vote: Motion Carried – AYES: 5, NOES: 0

F. BUSINESS AND ACTION ITEMS

1. Open the Public Hearing on proposed Ordinance No. 2016-27 amending in its entirety Ordinance 25, Drought Regulation, accept any public comments, close the public hearing, waive second reading, consider adopting Ordinance No. 2016-27, and adopt related CEQA findings.

Interim General Manager Kutsuris – Provided the details regarding the Drought Regulation Ordinance No. 2016-27 which eliminates the restriction of watering on only 2 days of the week. Staff requested the Board affirm that the voluntary conservation standard is 20%.

Motion by: Director Graves amending in its entirety Ordinance 25, Drought Regulation, waive second reading, adopt Ordinance No. 2016-27, adopt related CEQA findings, and affirm the 20% voluntary water conservation standard.

Second by: Vice-President Leete

Vote: Motion Carried – AYES: 5, NOES: 0

2. Consider approval of the Annual Assessment for the Ravenswood Improvement District – DB Lighting and Landscape Zone 9 for the Fiscal Year 2016-2017, accept Engineer's Report, adopt Resolution No. 2016-09, and set Public Hearing for July 20, 2016.

Finance Manager Breitstein – Provided details of the annual assessment for the Ravenswood Improvement District regarding the options of the annual assessment amount.

Motion by: Director Simon to accept Engineer's Report and Adopt Resolution No. 2016-09 authorizing the Intent to Levy and Collection of Annual Assessments for the Ravenswood Improvement District – DB Lighting and Landscape Zone 9 for the Fiscal Year 2016-2017 and set the Public Hearing for July 20, 2016 at 7:00 p.m. located at 1601 Discovery Bay Boulevard.

Second by: Director Graves

Vote: Motion Carried – AYES: 5, NOES: 0

3. Consider approval of the Notice of Completion and release of retention to Koch & Koch, Inc. for Lift Station G.

Interim General Manager Kutsuris – Provided details regarding the completion of the Lift Station G Project and the release of the retention.

Motion by: Director Graves to authorize the General Manager to issue a notice of completion and release all retention for the Lift Station G Project to Koch & Koch.

Second by: Vice-President Leete

Vote: Motion Carried – AYES: 5, NOES: 0

4. Consider adoption of Resolution No. 2016-13 establishing a Fire Hydrant Policy Fee Structure for the Town of Discovery Bay.

Finance Manager Breitstein – Provided details regarding the Fire Hydrant Policy Fee Structure, which includes the Mobile Hydrant Meter Rental & Penalty Fees and the Fixed Hydrant Meter Use Fees.

Motion by: Vice-President Leete to adopt Resolution No. 2016-13 establishing a Fire Hydrant Policy Fee Structure for the Town of Discovery Bay. Second by: Director Simon

Vote: Motion Carried – AYES: 5, NOES: 0

Interim General Manager stated that the Fire Hydrant Fine Structure requires an Ordinance and that will be ajenized at a future meeting.

5. Consider approval of a new contract with Du-ALL Safety, LLC in an amount not to exceed \$6,800 to provide safety staff training for the period July 1, 2016, to June 30, 2017.

Interim General Manager Kutsuris – Provided details of the contract for safety related training services and support services. Through the review of the safety related training services and support services we identified that there is a broad array of training that is available through the District's Risk Management and Insurance, called Target Solutions. The proposed training contract with Du-All Safety will be for the training that is either not available through Target Solutions or where staff determines that "Hands-On" training is preferable.

Motion by: Vice-President Leete to authorize the Interim General Manager to sign, on behalf of the District, a contract with Du-ALL Safety, LLC in an amount not to exceed \$6,800.00 (\$170.00 hourly rate) safety related training and support services for the period of July 1, 2016 through June 30, 2017.

Second by: Director Graves

Vote: Motion Carried – AYES: 5, NOES: 0

G. MANAGER’S REPORT – Discussion and Possible Action

Water and Wastewater Manager Koehne – Provided details regarding the water reduction in June which was 24% compared to 2013.

Parks and Landscape Manager Miller – Provided details regarding the Fire House and the move in date; thanked everyone involved in the process. Also, provided details regarding the RFP for the Community Center Roof project.

H. INFORMATIONAL ITEMS ONLY (NO ACTION NECESSARY)

None

I. PRESENTATIONS

None

J. PRESIDENT REPORT AND DIRECTORS’ COMMENTS

Director Steele – Provided the details of the Byron Union School District meeting on June 23rd, which included the school district hiring a new principal along with improving their budget.

K. GENERAL MANAGER’S REPORT – Discussion and Possible Action

1. Received - Special Districts Leadership Foundation’s District Transparency Certificate of Excellence.
2. Received - CSDA report regarding Senate Bill 885.

Interim General Manager Kutsuris -

- Provided additional details regarding the Fire Station and receiving the keys; Also thanked Legal Counsel with their involvement on the project. There were no changes to the basic terms of the lease. There were additions; such as the need to comply with hazardous materials laws and the Parks and Landscape Department will be moving in the next couple of days.
- Provided the details of the CSDA Annual Conference and asked the Board to check their calendars.
- Water Conservation numbers are 24%.
- Ground Water Basin update – The request for a sub-basin was rejected due to technical grounds. The basis of the rejection is that the approvals from the individual water companies were not included. The State requires a 75% approval; Luhdorff and Scalmanini along with the General Manager will be meeting with the State on this issue. Next date for submittal is January.
- Thanked Sue Heini for her work on the District Transparency Certificate of Excellence.

L. DISTRICT LEGAL COUNSEL REPORT

None

M. SUB-COMMITTEE UPDATES – Discussion and Possible Action

None

N. CORRESPONDENCE – Discussion and Possible Action

1. Received – Letter from David and Lisa Harrell regarding the fire break located between Newport Drive and Bixler Road.

O. PUBLIC RECORD REQUESTS RECEIVED

None

P. FUTURE AGENDA ITEMS

None

Q. ADJOURNMENT

1. The meeting adjourned at 7:41 p.m. to the next regular meeting of July 20, 2016 starting at 7:00 p.m. at the Community Center located at 1601 Discovery Bay Boulevard.

//cmc – 07-13-16

<http://www.todb.ca.gov/agendas-minutes>



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MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE TOWN OF DISCOVERY BAY CSD

Tuesday, July 12, 2016

SPECIAL MEETING 7:30 P.M.

Community Center

1601 Discovery Bay Boulevard, Discovery Bay, California

Website address: www.todb.ca.gov

SPECIAL MEETING AT 7:30 P.M.

A. ROLL CALL

1. Call business meeting to order 7:33 p.m. – By President Pease
2. Roll Call – All present with the exception of Vice-President Leete

B. PUBLIC COMMENT

None

C. OPEN SESSION DISCLOSURE OF CLOSED SESSION AGENDA

(Government Code Section 54957.7)

Legal Counsel Attebery – The Board is now adjourning into closed session regarding item D-1.

D. CLOSED SESSION:

1. Conference with Labor Negotiator Pursuant to Government Code Section 54957.6
Agency Designated Representative: Catherine Kutsuris
Unrepresented Employee: All TODB Employees

E. RETURN TO OPEN SESSION; REPORT ON CLOSED SESSION

(Government Code Section 54957.1)

Legal Counsel Attebery – The Board has reconvened from closed session and there is no reportable action.

F. ADJOURNMENT

1. The meeting adjourned at 8:20 p.m. to the Regular Meeting on July 20, 2016 at 7:00 p.m. at the Community Center located at 1601 Discovery Bay Boulevard.

//cmc – 07-13-16

<http://www.todb.ca.gov/agendas-minutes>



Town of Discovery Bay

"A Community Services District"

AGENDA REPORT

Meeting Date

July 20, 2016

Prepared By: Dina Breitstein, Finance Manager & Lesley Marable, Sr. Accounts Clerk
Submitted By: Catherine Kutsuris, Interim General Manager

Agenda Title

Approve Register of District Invoices

Recommended Action

Staff recommends that the Board approve the listed invoices for payment

Executive Summary

District invoices are paid on a regular basis, and must obtain Board authorization prior to payment. Staff recommends Board authorization in order that the District can continue to pay warrants in a timely manner.

Fiscal Impact:

Amount Requested \$ 305,968.47

Sufficient Budgeted Funds Available?: Yes (If no, see attached fiscal analysis)

Prog/Fund # See listing of invoices. **Category:** Operating Expenses and Capital Improvements

Previous Relevant Board Actions for This Item

Attachments

- Request For Authorization to Pay Invoices for the Town of Discovery Bay CSD 2016/2017
- Request For Authorization to Pay Invoices for the Discovery Bay Lighting & Landscape District # 8 2016/2017
- Request For Authorization to Pay Invoices for the Discovery Bay Lighting & Landscape District # 9 2016/2017

AGENDA ITEM: D-4

**Request For Authorization To Pay Invoices (RFA)
For The Meeting On July 20, 2016
Town of Discovery Bay CSD
For Fiscal Year's 7/16 - 6/17**

<u>Vendor Name</u>	<u>Invoice Number</u>	<u>Description</u>	<u>Invoice Date</u>	<u>Amount</u>
Contra Costa County Reimbursement				
County Clerk - CCC	10	NOE Ravenswood	07/11/16	\$50.00
U.S. Bank Corporate Payment System	4246044555703473/616	Landscape Reimb. (Z35,Z57,Z61)	06/27/16	\$391.59
Contra Costa County			Sub-Total	\$441.59

Water

Caselle, Inc.	73779	Annual Support & Maintenance FY 16/17	06/03/16	\$6,224.40
City of Antioch	AR146201	Annual ECWMA Dues	07/01/16	\$375.00
Contra Costa County Auditor-Controller	1617-0061	LAFCO FY 16/17	06/17/16	\$2,105.60
Contra Costa Health Services	IN0176570	Health Permit 2016-2017 Newport Water	06/27/16	\$793.00
Contra Costa Health Services	IN0176647	Health Permit 2016-2017 Willow Lake Water	06/27/16	\$793.00
County Clerk - CCC	11	NOE Water & Wastewater Rate	06/30/16	\$20.00
County Clerk - CCC	9	NOE Drought Regulations	06/30/16	\$50.00
Croce, Sanguinetti & Vander Veen, Inc.	4054	Audit Services FY 14/15	05/05/16	\$13,762.00
Denalect Alarm Company	R34588	Quarterly Alarm Charge	07/01/16	\$44.40
EnerPower	68080	Electric Charges 05/01/16-05/12/16	07/01/16	\$65.00
EnerPower	68082	Electric Charges 05/01/16-05/09/16	07/01/16	\$317.00
Herwit Engineering	16-5	Vehicle Storage Facility May 2016	06/10/16	\$671.93
Herwit Engineering	16-6	Vehicle Storage Facility June 2016	06/30/16	\$906.23
J.W. Backhoe & Construction, Inc.	2601	Hauled Cutback WWTP#1	06/27/16	\$1,126.55
McFadden Construction, Inc.	5	WWTP#2 Equipment Cover	06/29/16	\$489.74
Neumiller & Beardslee	278416	Professional Services May 2016	06/23/16	\$7,304.69
Office Depot	846585508001	Office Supplies	06/21/16	\$55.84
Office Team	46107495	Temporary Employee	06/29/16	\$514.80
ReliaStar Life Insurance Company	#JR52 457(B) 07/15/16	457(b) 07/01/16-07/15/16	07/15/16	\$410.04
SDRMA	53244	Workers Compensation 2016-2017	05/12/16	\$16,714.91
SDRMA	53778	Property/Liability 2016-2017	05/17/16	\$20,186.38
U.S. Bank Corporate Payment System	4246044555703473/616	Travel & Meetings	06/27/16	\$129.65
U.S. Bank Corporate Payment System	4246044555703473/616	Training & Education	06/27/16	\$300.00
U.S. Bank Corporate Payment System	4246044555703473/616	Telephone General	06/27/16	\$331.08
U.S. Bank Corporate Payment System	4246044555703473/616	Telecom Networking	06/27/16	\$378.83
U.S. Bank Corporate Payment System	4246044555703473/616	Vehicle & Equipment Fuel	06/27/16	\$315.97
U.S. Bank Corporate Payment System	4246044555703473/616	Info System	06/27/16	\$116.80
U.S. Bank Corporate Payment System	4246044555703473/616	Misc. Small Tools	06/27/16	\$64.66
U.S. Bank Corporate Payment System	4246044555703473/616	Office Supplies	06/27/16	\$155.52
U.S. Bank Corporate Payment System	4246044555703473/616	Building Maintenance	06/27/16	\$13.05
U.S. Bank Corporate Payment System	4246044555703473/616	Special Expense	06/27/16	\$9.83
Univar	SJ754588	Chemicals Delivered 06/23/16	06/23/16	\$271.01
Univar	SJ754589	Chemicals Delivered 06/23/16	06/23/16	\$240.90
Verizon Wireless	9767767027	Cell Phone Bill June 2016	06/26/16	\$184.92
Zee Medical Service Company	724600902	Safety Supplies	07/01/16	\$8.75

Water Sub-Total \$75,451.48

Wastewater

Brentwood Ace Hardware	808/063016	General Repairs	06/30/16	\$67.70
Brentwood Ace Hardware	808/063016	Building Maintenance	06/30/16	\$13.65
Caselle, Inc.	73779	Annual Support & Maintenance FY 16/17	06/03/16	\$9,336.60
Cintas	185561428	Uniforms	06/29/16	\$14.20
Comcast	8155400350232938/716	Internet Service WWTP#2	07/03/16	\$116.17
Comcast	8155400350232946/716	Internet Service WWTP#1	07/03/16	\$91.12
Contra Costa County Auditor-Controller	1617-0061	LAFCO FY 16/17	06/17/16	\$3,158.40
Contra Costa Health Services	IN0176494	Health Permit 2016-2017 WWTP#2	06/27/16	\$1,278.00
Contra Costa Health Services	IN0176495	Health Permit 2016-2017 WWTP#1	06/27/16	\$388.00
County Clerk - CCC	11	NOE Water & Wastewater Rate	06/30/16	\$30.00
Croce, Sanguinetti & Vander Veen, Inc.	4054	Audit Services FY 14/15	05/05/16	\$20,643.00
Denalect Alarm Company	R34588	Quarterly Alarm Charge	07/01/16	\$66.60
EnerPower	68081	Electric Charges 05/01/16-05/10/16	07/01/16	\$350.00
Herwit Engineering	16-5	Vehicle Storage Facility May 2016	06/10/16	\$1,007.89
Herwit Engineering	16-5	Professional Services May 2016	06/10/16	\$1,706.16
Herwit Engineering	16-6	Vehicle Storage Facility June 2016	06/30/16	\$1,359.35
Herwit Engineering	16-6	Annual Scada Improvements June 2016	06/30/16	\$412.50
Herwit Engineering	16-6	Professional Services June 2016	06/30/16	\$7,124.82
Herwit Engineering	DB-MP-4-45	Secondary Process Improvements Proj 4	06/30/16	\$1,608.08
Herwit Engineering	DB-MP-7-3	Effluent Filtration Project May 2016	06/09/16	\$7,115.74
Herwit Engineering	DB-MP-7-4	Effluent Filtration Project June 2016	06/30/16	\$29,841.90
McFadden Construction, Inc.	5	WWTP#2 Equipment Cover	06/29/16	\$734.62
McFadden Construction, Inc.	5	PGE Funded Project-Insulation & Concrete Equip. Cover	06/29/16	\$34,675.32
Neumiller & Beardslee	278416	Professional Services May 2016	06/23/16	\$10,957.04
Office Depot	846585508001	Office Supplies	06/21/16	\$83.76
Office Team	46107495	Temporary Employee	06/29/16	\$772.20
ReliaStar Life Insurance Company	#JR52 457(B) 07/15/16	457(b) 07/01/16-07/15/16	07/15/16	\$615.06

SDRMA	53244	Workers Compensation 2016-2017	05/12/16	\$25,072.37
SDRMA	53778	Property/Liability 2016-2017	05/17/16	\$46,878.02
Town of Discovery Bay CSD	4	Reimbursement For PGE Funded Project	07/11/16	\$68.00
U.S. Bank Corporate Payment System	4246044555703473/616	Travel & Meetings	06/27/16	\$170.70
U.S. Bank Corporate Payment System	4246044555703473/616	Training & Education	06/27/16	\$450.00
U.S. Bank Corporate Payment System	4246044555703473/616	Telephone General	06/27/16	\$988.96
U.S. Bank Corporate Payment System	4246044555703473/616	Telecom Networking	06/27/16	\$568.25
U.S. Bank Corporate Payment System	4246044555703473/616	Vehicle & Equipment Fuel	06/27/16	\$211.94
U.S. Bank Corporate Payment System	4246044555703473/616	Vehicle Maintenance	06/27/16	\$19.53
U.S. Bank Corporate Payment System	4246044555703473/616	Info System	06/27/16	\$185.19
U.S. Bank Corporate Payment System	4246044555703473/616	Postage	06/27/16	\$47.47
U.S. Bank Corporate Payment System	4246044555703473/616	Office Supplies	06/27/16	\$233.28
U.S. Bank Corporate Payment System	4246044555703473/616	Building Maintenance	06/27/16	\$202.05
U.S. Bank Corporate Payment System	4246044555703473/616	Special Expense	06/27/16	\$14.75
Verizon Wireless	9767767027	Cell Phone Bill June 2016	06/26/16	\$277.37
Zee Medical Service Company	724600902	Safety Supplies	07/01/16	\$13.14

Wastewater Sub-Total \$208,968.90

Community Center

Community Center Sub-Total \$0.00

Grand Total \$284,861.97

Request For Authorization To Pay Invoices (RFA)
For The Meeting On July 20, 2016
Town of Discovery Bay, D.Bay L&L Park #8
For Fiscal Year's 7/16 - 6/17

<u>Vendor Name</u>	<u>Invoice Number</u>	<u>Description</u>	<u>Invoice Date</u>	<u>Amount</u>
Brentwood Ace Hardware	808/063016	Community Center-Landscape Maintenance	06/30/16	\$79.24
Brentwood Ace Hardware	808/063016	Community Center-Pool Maintenance	06/30/16	\$10.83
Cintas	185561428	Uniforms	06/29/16	\$54.78
Cintas	185561428	Community Center-Mats	06/29/16	\$63.46
Contra Costa Health Services	IN0177781	Community Center-Health Permit 2016-2017	06/27/16	\$388.00
Croce, Sanguinetti & Vander Veen, Inc.	4054	Audit Services FY 14/15	05/05/16	\$2,220.00
Express Labs Inc.	65860	Community Center-Pre Employment Screening	06/30/16	\$180.00
SDRMA	53778	Property/Liability 2016-2017	05/17/16	\$3,609.07
SDRMA	53778	Community Center-Property/Liability 2016-2017	05/17/16	\$3,609.06
U.S. Bank Corporate Payment System	4246044555703473/616	Telephone General	06/27/16	\$97.30
U.S. Bank Corporate Payment System	4246044555703473/616	Vehicle & Equipment Fuel	06/27/16	\$327.35
U.S. Bank Corporate Payment System	4246044555703473/616	Equipment Repair & Maintenance	06/27/16	\$100.50
U.S. Bank Corporate Payment System	4246044555703473/616	Landscape Maintenance	06/27/16	\$68.00
U.S. Bank Corporate Payment System	4246044555703473/616	Community Center-Events	06/27/16	\$846.00
U.S. Bank Corporate Payment System	4246044555703473/616	Community Center-Telephone General	06/27/16	\$156.44
U.S. Bank Corporate Payment System	4246044555703473/616	Community Center-Monthly Software	06/27/16	\$349.40
U.S. Bank Corporate Payment System	4246044555703473/616	Community Center-Office Supplies	06/27/16	\$81.71
U.S. Bank Corporate Payment System	4246044555703473/616	Community Center-Landscape Maintenance	06/27/16	\$113.45
U.S. Bank Corporate Payment System	4246044555703473/616	Community Center-Pool Maintenance	06/27/16	\$207.16
U.S. Bank Corporate Payment System	4246044555703473/616	Community Center-Safety Supplies	06/27/16	\$145.37
U.S. Bank Corporate Payment System	4246044555703473/616	Community Center-Pre Employment Screening	06/27/16	\$70.66
Verizon Wireless	9767767027	Cell Phone Bill June 2016	06/26/16	\$71.28
Verizon Wireless	9767767027	Community Center-Cell Phone Bill June 2016	06/26/16	\$71.25
Watersavers Irrigation Inc.	1718225-00	Landscape Maintenance	06/28/16	\$91.61
Watersavers Irrigation Inc.	1718572-00	Landscape Maintenance	06/29/16	\$23.93
Zee Medical Service Company	724600901	Community Center-Safety Supplies	07/01/16	\$60.50
			Total	\$13,096.35

Request For Authorization To Pay Invoices (RFA)
For The Meeting On July 20, 2016
Town of Discovery Bay, D.Bay L&L Park #9 (Ravenswood)
For Fiscal Year's 7/16 - 6/17

<u>Vendor Name</u>	<u>Invoice Number</u>	<u>Description</u>	<u>Invoice Date</u>	<u>Amount</u>
Brentwood Ace Hardware	808/063016	Landscape Maintenance	06/30/16	\$62.88
Cintas	185561428	Uniforms	06/29/16	\$54.80
Croce, Sanguinetti & Vander Veen, Inc.	4054	Audit Services FY 14/15	05/05/16	\$2,200.00
SDRMA	53778	Property/Liability 2016-2017	05/17/16	\$3,256.65
Town Of Discovery Bay CSD	469	NOE Ravenswood	07/11/16	\$50.00
U.S. Bank Corporate Payment System	4246044555703473/616	Membership & Fees	06/27/16	\$170.00
U.S. Bank Corporate Payment System	4246044555703473/616	Telephone General	06/27/16	\$104.69
U.S. Bank Corporate Payment System	4246044555703473/616	Vehicle & Equipment Fuel	06/27/16	\$538.97
U.S. Bank Corporate Payment System	4246044555703473/616	Vehicle Repair & Maintenance	06/27/16	\$611.71
U.S. Bank Corporate Payment System	4246044555703473/616	Equipment Repair & Maintenance	06/27/16	\$239.00
U.S. Bank Corporate Payment System	4246044555703473/616	Misc. Small Tools	06/27/16	\$46.19
U.S. Bank Corporate Payment System	4246044555703473/616	Landscape Maintenance	06/27/16	\$293.29
Verizon Wireless	9767767027	Cell Phone Bill June 2016	06/26/16	\$71.30
Vortex Western Sales and Service	25012	Ravenswood Splash Pad Repair	06/17/16	\$128.62
Watersavers Irrigation Inc.	1713979-00	Landscape Maintenance	06/20/16	\$182.05
			Total	\$8,010.15



TOWN OF DISCOVERY BAY

A COMMUNITY SERVICES DISTRICT



President – Bill Pease • Vice-President – Robert Leete • Director – Kevin Graves • Director – Mark Simon • Director – Chris Steele

There are no written materials for agenda items listed below:

- E.** MONTHLY WATER AND WASTEWATER REPORT – VEOLIA
(Provided prior to the meeting)
- F.** BUSINESS AND ACTION ITEMS
F-6 Accept recommendation from Finance Committee regarding the financing of the Effluent Filtration Project, the Water Meter Project, and the Proposed Well 8
(Provided prior to the meeting)
- G.** INFORMATIONAL ITEMS ONLY (NO ACTION NECESSARY)
- H.** PRESENTATIONS
- I.** PRESIDENT REPORT AND DIRECTORS' COMMENTS
- J.** MANAGER'S REPORTS – Discussion and Possible Action
- K.** GENERAL MANAGER'S REPORT – Discussion and Possible Action
- L.** DISTRICT LEGAL COUNSEL REPORT
- M.** SUB-COMMITTEE UPDATES – Discussion and Possible Action
- O.** PUBLIC RECORD REQUESTS RECEIVED
- P.** FUTURE AGENDA ITEMS



Town of Discovery Bay

"A Community Services District"

AGENDA REPORT

Meeting Date

July 20, 2016

Prepared By: Dina Breitstein, Finance Manager

Submitted By: Catherine Kutsuris, Interim General Manager

Agenda Title

Consider Town of Discovery Bay proposed combined rate increase pertaining to Water and Wastewater services for FY 2016-17 through FY 2020-21 and approval and adoption of Resolution No. 2016-10 Establishing Charges for Water and Wastewater Service and Continuing Collection of Water and Wastewater Service Charges on the County Tax Roll.

Recommended Action

Open the public hearing on Resolution 2016-10 - rate increase and rate adoption subject to Prop 218, accept any public comments, close the public hearing and consider adopting Resolution No. 2016-10.

Executive Summary

On May 4, 2016 the Board of Directors was presented the findings of the rate study recently completed by Bartle Wells Associates. BWA conducted a five year rate study for the five (5) year period beginning on July 1, 2016 and ending June 30, 2021. The proposed service rates have been developed in accordance with that action and scope of work. The *DRAFT* Rate Study is included and attached as a part of this report.

Pursuant to Proposition 218 approved by voters in 1996, each year the District finds it necessary to increase utility rates above the existing maximum Proposition 218 approved rate, a rate study and a public hearing must take place. It should be noted that the current CPI for Water and Sewer using the U.S. Bureau of Labor Statistics Consumer Price Index for All Urban Consumers (CPI-U): U.S. city average, by expenditure category, 12-month analysis table is 4.9%. For the FY 2016-17 year, it is proposed that the rates increase 15% for water and 11% for wastewater over current rates.

The proposed overall service rates reflect an increase of 15% for water and 11% for wastewater for FY 2016-17 and including automatic adjustments for a 5 year period pursuant to Government Code Section 53756. It should be noted that these maximum rates will continue thereafter (post FY 2020-21) and remain in effect until a subsequent Rate Study is completed and a Proposition 218 hearing is conducted.

The BWA rate study was determined based upon projected annual expenditures at the District in the Operating, Capital and Capital Replacement budgets for the next five (5) fiscal years. Additionally, this rate study and associated proposed rate adjustment(s) does not include any allowances for potential future development. The rates only provide for current Operations and Maintenance necessary to facilitate existing facility capital improvements as well as the infrastructure and vehicle replacement funds.

Based upon the proposed rate schedule (attached), It is projected that the FY 2016-17 rates will increase 15% for water and 11% for wastewater. The table below shows the impact over the 5 year forecast period:

"Continued to the next page"

TABLE ES-1

15%

15%

12%

12%

12%

PROPOSED WATER RATE INCREASES

WATER	Current		Proposed FY 2016/17		Proposed FY 2017/18		Proposed FY 2018/19		Proposed FY 2019/20		Proposed FY 2020/21	
	Monthly (\$/month/DU)	Yearly (\$/year/DU)										
Residential Unmetered												
Parcel Size (Square Feet/DU)												
Condos w/irrigation	\$32.86	\$394.28	\$36.55	\$438.60								
Condos w/o irrigation	\$21.52	\$258.18	\$23.91	\$286.92								
Under 5,000	\$32.86	\$394.28	\$36.55	\$438.60								
5,000 - 10,000	\$41.56	\$498.65	\$46.03	\$552.36								
10,001 - 15,000	\$50.25	\$603.02	\$55.51	\$666.12								
Over 15,000	\$50.25	\$603.02	\$55.51	\$666.12								
Vacant	\$14.67	\$176.00	\$14.67	\$176.00	\$14.67	\$176.00	\$14.67	\$176.00	\$14.67	\$176.00	\$14.67	\$176.00
Plus Each Additional 1,000	\$2.90	\$34.60	\$3.21	\$38.55								
WATER All Metered (1)	Monthly (\$/month)	Use (\$/ccf)										
Nonirrigation Account Charge:												
5/8 Inch Meter	\$9.98		\$13.85		\$16.20		\$18.02		\$20.06		\$22.35	
1 Inch Meter	\$9.98		\$13.85		\$16.20		\$18.02		\$20.06		\$22.35	
1 1/2 Inch Meter	\$19.99		\$26.73		\$31.43		\$35.07		\$39.16		\$43.74	
2 Inch Meter	\$31.96		\$42.15		\$49.68		\$55.50		\$62.04		\$69.37	
3 Inch Meter	\$63.91		\$83.29		\$98.34		\$109.99		\$123.06		\$137.72	
4 Inch Meter	\$99.86		\$129.58		\$153.09		\$171.30		\$191.71		\$214.63	
6 Inch Meter	\$199.72		\$258.15		\$305.18		\$341.60		\$382.43		\$428.26	
Irrigation Account Charge:												
5/8" Inch Meter	\$3.02		\$13.08		\$15.29		\$17.00		\$18.92		\$21.07	
1 Inch Meter	\$3.02		\$13.08		\$15.29		\$17.00		\$18.92		\$21.07	
1 1/2 Inch Meter	\$6.04		\$25.18		\$29.60		\$33.03		\$36.87		\$41.18	
2 Inch Meter	\$9.67		\$39.68		\$46.76		\$52.23		\$58.38		\$65.27	
3 Inch Meter	\$19.34		\$78.35		\$92.50		\$103.45		\$115.73		\$129.52	
4 Inch Meter	\$30.21		\$121.66		\$143.97		\$161.08		\$180.27		\$201.81	
6 Inch Meter	\$60.42		\$242.73		\$286.93		\$321.17		\$359.54		\$402.62	
All Usage		\$1,512		\$1,580		\$1,799		\$2,015		\$2,257		\$2,528
Newly Metered Customers												
Meter Install Fee (10-year payback)					\$9.00		\$9.00		\$9.00		\$9.00	

TABLE ES-1
PROPOSED WASTEWATER RATE INCREASES

WASTEWATER	Current FY 2015/16		Proposed FY 2016/17		Proposed FY 2017/18		Proposed FY 2018/19		Proposed FY 2019/20		Proposed FY 2020/21	
	Monthly (\$/month)	Yearly (\$/year)	Monthly (\$/month)	Yearly (\$/year)	Monthly (\$/month)	Yearly (\$/year)	Monthly (\$/month)	Yearly (\$/year)	Monthly (\$/month)	Yearly (\$/year)	Monthly (\$/month)	Yearly (\$/year)
Residential Unmetered												
Single Family - Each DU	\$61.95	\$743.38	\$68.76	\$825.13	\$76.32	\$915.89	\$79.33	\$952.53	\$82.55	\$990.63	\$85.65	\$1,030.26
Multiple Family/Condos - Each DU	\$45.46	\$557.56	\$51.57	\$618.89	\$57.25	\$686.97	\$59.54	\$714.45	\$61.92	\$743.03	\$64.40	\$772.75
Vacant	\$18.67	\$224.00	\$18.67	\$224.00	\$18.67	\$224.00	\$18.67	\$224.00	\$18.67	\$224.00	\$18.67	\$224.00
Nonresidential Metered	Use (\$/ccf)		Use (\$/ccf)		Use (\$/ccf)		Use (\$/ccf)		Use (\$/ccf)		Use (\$/ccf)	
Business/Government/Clubs	\$4,303		\$4,776		\$5,302		\$5,514		\$5,734		\$5,984	
Restaurants/Bars/Dining Facilities	\$12,601		\$13,987		\$15,526		\$16,147		\$16,793		\$17,464	
Schools	\$3,873		\$4,299		\$4,772		\$4,963		\$5,161		\$5,368	
Other Domestic Strength Users	\$4,303		\$4,776		\$5,302		\$5,514		\$5,734		\$5,984	

DU = Dwelling Unit
ccf = 100 cubic feet = 748 gallons

(Continued)

Pursuant to Government Code §53755, on May 27, 2016 notices were mailed to all Discovery Bay property owners identifying the proposed rate structure for the 5 year period. As of the publication date of this report, 2 qualifying letter of protest have been received of the 8,042 notices mailed. A copy of the notice is also attached. Any additional qualifying protests that are received after the publication date up to and including the Public Hearing will be presented at the Hearing.

Fiscal Impact:

Previous Relevant Board Actions for This Item

- January 30, 2016 – Annual Workshop
- February 12, 2016 – Review of Water and Wastewater Rate Studies
- May 4, 2016 – Review of Water and Wastewater Rate Studies
- May 18, 2016 - Authorizing the Prop 218 notification for the proposed Water and Wastewater Rates and set July 20, 2016, for the Prop 218 Public Hearing

Attachments

- BWA Proposed Rate Study
- Resolution No. 2016-10
- Prop 218 Notice
- Notice of Exemption
- Letters of Protest – 2339 Winchester Loop, 2488 Santa Barbara Court



Town of Discovery Bay Community Services District

Wastewater Rate Study Draft Report May 10, 2016



BARTLE WELLS ASSOCIATES
Independent Public Finance Consultants
1889 Alcatraz Avenue
Berkeley, California 94703
www.bartlewells.com
Tel: 510/653-3399

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Town of Discovery Bay Community Services District
1800 Willow Lake Road
Discovery Bay, CA 94505-9376

Re: Wastewater Rate Study

Bartle Wells Associates (BWA) is pleased to submit to the Town of Discovery Bay Community Services District (Town) the attached Wastewater Rate Study. The report presents BWA's analysis of the capital and operating costs of the wastewater (sewer) utility. It lists the assumptions and rate design objectives used in BWA's analysis. The report recommends updating rates and charges to more accurately recover the costs of providing service to the Town's customers. Recommendations were developed with substantial input from Town staff.

BWA finds that the wastewater rates and charges proposed in our report to be based on the cost of service, follow generally accepted rate design criteria, and adhere to the substantive requirements of Proposition 218. BWA believes that the proposed rates are fair and reasonable to the Town's customers.

I enjoyed working with you on the sewer rate study and appreciate the assistance and cooperation of Town staff throughout the project. Please contact me if you ever have any future questions about this study and the rate recommendations.

Yours truly,

ALISON LECNOWICZ
Vice President
Bartle Wells Associates

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Executive Summary

Bartle Wells Associates (BWA) was engaged by the Town of Discovery Bay Community Services District (Town) to review the rates and charges of the wastewater enterprise fund and to recommend updates to better reflect the cost of providing service to the Town's customers. Throughout this report, BWA makes a number of recommendations and conclusions which are provided below. Ultimately, BWA recommends increasing rates 11% in fiscal years (FY) 2017 and 2018, with annual inflationary cost increases not less than 4% per year from FY2019 to FY2021. These rate increases are based on the cost of service, are fair to customers, and meet the substantive requirements of Proposition 218. A schedule of recommended rates is provided as Table ES-1.

Key Findings

- The Town is in adequate financial shape, has positive net revenues, and has healthy fund reserves.
- In 2012, the Town sold \$14.15 million in water and wastewater enterprise revenue bonds at a favorable interest rate of 4.17% over a thirty-year term. At the beginning of FY2016, The Town had about \$1.5 million in proceeds remaining from the bonds for wastewater projects, which have been recently expended.
- To meet new regulatory permit requirements, the Town is planning to construct an effluent filtration project in FY2017. The Town has already conducted planning activities at a cost of \$700,000 and the remaining project cost is \$6.7 million.

Key Recommendations

- The wastewater rates and charges should be increased by 11% in FY2017 and FY2018 to fund capital projects, maintain debt service coverage, and maintain necessary fund reserves. Rates should increase 4% annually thereafter from FY2019 to FY2021 to keep up with inflationary cost increases.
- Proposition 218 allows agencies to implement rates and charges that are lower than those approved via the Prop 218 hearing process. If annual cost increases are less than 4%, the Town has the option to increase rates and charges by the actual annual change in the Consumer Price Index.
- All residential customers are billed for wastewater service on the annual tax roll and commercial customers are metered and billed a volume charge for actual wastewater flow.
- The Town should meet or exceed debt coverage legal requirements.
- The Town should maintain an operating reserve of four months of operating expenses.
- The Town should continue to fund repair and replacement capital improvements to maintain and upgrade the wastewater system.

**TABLE ES-1
PROPOSED WASTEWATER
RATE INCREASES**

WASTEWATER	Current		Proposed FY 2016/17		Proposed FY 2017/18		Proposed FY 2018/19		Proposed FY 2019/20		Proposed FY 2020/21	
	Monthly (\$/DU)	Yearly (\$/DU)	Monthly (\$/DU)	Yearly (\$/DU)	Monthly (\$/DU)	Yearly (\$/DU)	Monthly (\$/DU)	Yearly (\$/DU)	Monthly (\$/DU)	Yearly (\$/DU)	Monthly (\$/DU)	Yearly (\$/DU)
Single Family - Each DU	\$61.95	\$743.36	\$68.76	\$825.13	\$76.32	\$915.89	\$79.38	\$952.53	\$82.55	\$990.63	\$85.85	\$1,030.26
Multiple Family/Condos - Each DU	\$46.46	\$557.56	\$51.57	\$618.89	\$57.25	\$686.97	\$59.54	\$714.45	\$61.92	\$743.03	\$64.40	\$772.75
Vacant	\$18.67	\$224.00	\$18.67	\$224.00	\$18.67	\$224.00	\$18.67	\$224.00	\$18.67	\$224.00	\$18.67	\$224.00
Nonresidential Metered	Use (\$/ccf)		Use (\$/ccf)		Use (\$/ccf)		Use (\$/ccf)		Use (\$/ccf)		Use (\$/ccf)	
Business/Government/Clubs	\$4.303		\$4.776		\$5.302		\$5.514		\$5.734		\$5.964	
Restaurants/Bars/Dining Facilities	\$12.601		\$13.987		\$15.526		\$16.147		\$16.793		\$17.464	
Schools	\$3.873		\$4.299		\$4.772		\$4.963		\$5.161		\$5.368	
Other Domestic Strength Users	\$4.303		\$4.776		\$5.302		\$5.514		\$5.734		\$5.964	

DU = Dwelling Unit

ccf = 100 cubic feet = 748 gallons

Rate Setting Legislation and Principles

In conducting this wastewater rate study, BWA adheres to the Proposition 218 requirements as described in this section. Subsequent sections provide the detailed, cost of service basis for BWA's rate recommendations.

Proposition 218

Proposition 218, the "Right to Vote on Taxes Act", was approved by California voters in November 1996 and is codified as Articles XIII C and XIII D of the California Constitution. Proposition 218 establishes requirements for imposing or increasing property related taxes, assessments, fees and charges. For many years, there was no legal consensus on whether water and sewer rates met the definition of "property related fees". In July 2006, the California Supreme Court essentially confirmed that Proposition 218 applies to water and wastewater rates.

BWA recommends that the Town follow the procedural requirements of Proposition 218 for all wastewater rate changes. These requirements include:

- **Noticing Requirement:** - The Town must mail a notice of proposed rate increases to all affected property owners. The notice must specify the basis of the fee, the reason for the fee, and the date/time/location of a public rate hearing at which the proposed rates will be considered/adopted.
- **Public Hearing:** - The Town must hold a public hearing prior to adopting the proposed rate increases. The public hearing must be held not less than 45 days after the required notices are mailed.
- **Rate Increases Subject to Majority Protest:** - At the public hearing, the proposed rate increases are subject to majority protest. If more than 50% of affected property owners submit written protests against the proposed rate increases, the increases cannot be adopted.

Proposition 218 also established a number of substantive requirements that are generally deemed to apply to utility service charges, including:

- **Cost of Service** - Revenues derived from the fee or charge cannot exceed the funds required to provide the service. In essence, fees cannot exceed the "cost of service".
- **Intended Purpose** - Revenues derived from the fee or charge can only be used for the purpose for which the fee was imposed.
- **Proportional Cost Recovery** - The amount of the fee or charge levied on any customer shall not exceed the proportional cost of service attributable to that customer.
- No fee or charge may be imposed for a service unless that service is used by, or immediately available to, the owner of the property. Standby charges shall be classified as "assessments" which are governed by Article 13D Section 4.

Charges for water, wastewater, and refuse collection are exempt from the additional voting requirements of Proposition 218 provided the charges do not exceed the cost of providing service and are adopted pursuant to procedural requirements of Proposition 218.

Rate Development Principles

In reviewing the Town's current wastewater rates and finances, BWA used the following criteria in developing our recommendations:

1. *Revenue Sufficiency:* Rates should recover the annual cost of service and provide revenue stability.
2. *Rate Impact:* While rates are calculated to generate sufficient revenue to cover operating and capital costs, they should be designed to minimize, as much as possible, the impacts on ratepayers.
3. *Equitable:* Rates should be fairly allocated among all customer classes based on their estimated demand characteristics. Each user class only pays its proportionate share.
4. *Practical:* Rates should be simple in form and, therefore, adaptable to changing conditions, easy to administer and easy to understand.
5. *Provide Incentive:* Rates provide price signals which serve as indicators to conserve water and to use water efficiently.

Background

The Town provides wastewater collection, treatment, and disposal to approximately 14,000 residents. The Town last conducted a wastewater rate study in June 2013 which set rates through FY2017. This report provides recommended rates through FY2021.

The Town's wastewater (sewer) utility is available to about 6,100 single family, condominium, commercial, and vacant parcels or accounts within the Town. All sewer customers are billed annually on the property tax roll. Residential customers are billed a flat annual fixed charge. Commercial customers are billed a volume wastewater rate based on actual wastewater flow.

Current Rates and Revenues

In FY2016, the Town is projected to collect a total of about \$4.4 million in revenues from wastewater service charges, see Table 1. About \$4.28 million in rate revenues, or about 97%, is collected as fixed charges from residential customers. Volumetric charges generate about \$127,000 annually or about 3% of service rate revenue. Commercial customers are metered and pay a volume charge per hundred cubic foot (ccf, one ccf is 748 gallons) of water use/wastewater flow. The volume charges are scaled to the wastewater pollutant loading of each customer type and were developed in a previous rate study. Due to drought conditions, commercial wastewater flow is projected to decrease by 10% in FY2017.

BWA also reviewed the fixed charge applied to condominiums, vacant parcels, and residential parcels. Vacant parcels are charged about one third of the residential charge, and condominiums are charged 75% of the residential rate. BWA finds these charges to be reasonable. In BWA's experience, wastewater agencies charge condominiums or multifamily units 60% to 90% of the single family residential charge.

The typical residential customer served by the Town of Discovery Bay currently pays \$743.36 annually, or \$61.95 monthly, for wastewater service. BWA surveyed the typical bills of surrounding public agencies, see Figure 1. The Town's current wastewater bill is on the higher end of the surveyed agencies.

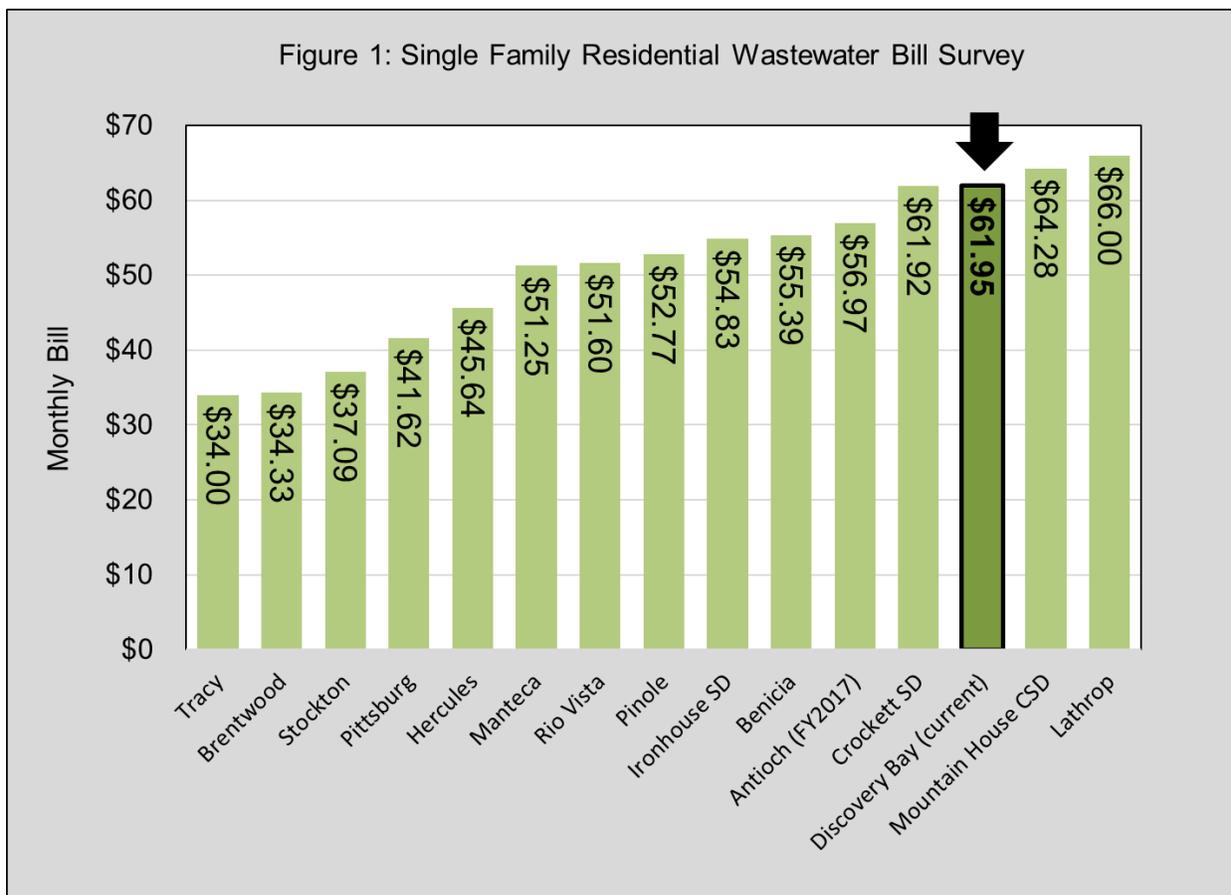
**Table 1: Current FY2016 Wastewater Service Charge Revenues
Town of Discovery Bay
Wastewater Rate Study**

Service Charges	Number of Parcels	Annual Fee	Total Annual Revenues
Single Family - Each DU	5,478	\$743.36	\$4,072,000
Multiple Family/Condos - Each DU	224	\$557.56	\$125,000
Vacant	370	\$224.00	\$83,000
Total	5,702		\$4,280,000

DU – dwelling unit

Volumetric Rate	\$/ccf	Typical Revenue
Business/Government/Clubs	\$4.303	
Restaurants/Bars/Dining Facilities	\$12.601	
Schools	\$3.873	
Other Domestic Strength Users	\$4.303	
		\$126,880

ccf – hundred cubic foot



Cost of Service

Under Proposition 218, the Town’s wastewater rates and charges must be based on the cost of providing sewer collection and treatment service. Wastewater service costs consist of the following:

- Operating costs including administration, maintenance, the service contract with Veolia, and utilities (power)
- Capital costs including but not limited to the effluent filter project, annual replacements for manholes, lift stations, and SCADA improvements, and treatment improvements
- Debt service costs on the Town’s 2012 Revenue Bonds and projected new debt
- Maintaining adequate operating and capital reserves

The Town’s budgeted operating and capital reserves are provided in Table 2. In FY2016, the wastewater utility has about \$3.7 million in reserves.

Reserves	FY2016 Budget	Water	Wastewater
Water & Wastewater Operating Reserves [1]	\$4,180,213	\$1,672,085	\$2,508,128
Sewer Infrastructure Replacement Fund	\$950,000	\$0	\$950,000
Pumps/Motors Replacement Fund	\$240,000	\$240,000	\$0
Water Infrastructure Replacement Fund	\$859,143	\$859,143	\$0
Generators Replacement Fund [1]	\$75,000	\$30,000	\$45,000
Facilities & Vehicles Replacement Fund [1]	\$252,204	\$100,882	\$151,322
Operating Reserves Total	\$4,180,213	\$1,672,085	\$2,508,128
Infrastructure Replacement Total	\$2,376,347	\$1,230,025	\$1,146,322
Total Reserves	\$6,556,560	\$2,902,110	\$3,654,450

1 - 60% of funds allocated to the wastewater enterprise

Table 3 establishes the Town’s wastewater capital costs. Major projects include the effluent filter project, vehicle storage, lift station improvements, manhole improvements, a new generator for Plant 1, a replacement lagoon dredge, a new clarifier for Plant 2, and design and engineering for the denitrifying project. It is envisioned that the Town will finance the filter project in FY2017 and may finance the denitrifying project in six to eight years. The denitrifying project is beyond the rate case study period planning horizon. All other projects will be cash funded from available revenues including capacity fee revenues from new customers connecting to the wastewater system, sewer rate revenues (expressed as a transfer from operating), and capital reserves.

The wastewater fund capital cash flow over the next five years is provided in Table 3. Historically, the Town has maintained wastewater capital reserves of over \$1 million and the rate plan developed in this report roughly continues this trend with an ending balance of about \$849,000 in FY2020.

**Table 3: Wastewater Capital Cash Flows
Town of Discovery Bay
Wastewater Rate Study**

	Current FY2016	Projected FY2017	Projected FY2018	Projected FY2019	Projected FY2020
Beginning balance	\$1,146,000	\$0	\$1,437,000	\$744,000	\$986,000
Revenues					
Capacity Fees	160,000	25,000	25,000	25,000	25,000
Remaining Proceeds from 2012 Bonds	1,500,000				
New Debt Proceeds (Filter & Plant 1)	0	7,400,000		0	0
Transfer from Operating Fund	<u>650,000</u>	<u>600,000</u>	<u>600,000</u>	<u>725,000</u>	<u>725,000</u>
Total Revenues	2,310,000	8,025,000	625,000	750,000	750,000
Capital Improvements					
Bond Financed Projects					
Splitter Box, OX ditch, Clarifier, & RAS Pumps at P2	<u>2,004,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Bond Financed Projects	2,004,000	0	0	0	0
Regulatory Improvements					
Filter Project	700,000	6,000,000	700,000	0	0
Dentrifying Project	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>477,000</u>
Total Growth Induced Projects	700,000	6,000,000	700,000	0	477,000
Repair and Replacement Projects					
Plant 1 Headwork cleaning, repairs & coating	25,000	0	0	0	0
Upgrade Ox Ditch 2	50,000	0	0	0	0
Annual Rehab Manholes	18,000	18,000	18,000	18,000	20,000
Annual Raise Manholes	10,000	10,000	10,000	10,000	10,000
Annual Lift Station Improvements	310,000	330,000	350,000	350,000	350,000
Annual SCADA Improvements	50,000	20,000	20,000	20,000	20,000
Portable Light Trailer [1]	9,000	0	0	0	0
Vehicle Storage [1]	<u>120,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Repair and Replacement Projects	592,000	378,000	398,000	398,000	400,000
Veolia Recommended Projects					
Control Panels	150,000	0	0	0	0
Replace Lagoon Dredge	0	0	110,000	0	0
Plant 2 Clarifier	0	0	100,000	100,000	0
New Generator for Plant 1	0	200,000	0	0	0
Misc.	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>
Total Veolia Projects	160,000	210,000	220,000	110,000	10,000
Total Capital Improvements	3,456,000	6,588,000	1,318,000	508,000	887,000
Total Net Revenues	(1,146,000)	1,437,000	(693,000)	242,000	(137,000)
Capital Ending balance	0	1,437,000	744,000	986,000	849,000

[1] Wastewater Fund share 60%

Table 4 provides the debt service estimate for the effluent filter project. It is assumed that the project will be financed via municipal bonds with a maximum thirty-year maturity. The total project cost for the filter project is \$7.4 million, including about \$700,000 that has already been expended in FY2016 for design and engineering. The Town is able to reimburse these costs through the bonds via a reimbursement agreement. It is assumed that the filter project bonds would be issued at the same time as bonds for the water meter project (see Water Rate Study, May 6, 2016) and would thus have reduced issuance costs estimated at \$100,000 for the wastewater portion. For financial planning purposes, BWA

estimates an interest rate of 5% as a worst case scenario. Based on current market conditions, the actual average interest rate is likely to be near 4% or lower. The total annual debt service cost for the filter project is estimated to be about \$488,000 annually and payments are projected to begin in FY2018.

**Table 4: Filter Project Estimated Annual Debt Service
Town of Discovery Bay
Wastewater Rate Study**

	Filter Project
Project Cost	7,400,000
Issuance Costs	<u>100,000</u>
Total Financing	7,500,000
Term	30
Rate	5.00%
Annual Debt Service	\$487,886

Table 5 provides the wastewater fund operating cash flow including rate and non-rate revenues, operating costs, debt service costs, and transfers to the capital fund. Non-rate revenues include Zone 9 reimbursements and miscellaneous revenues for items such as delinquency fees and service calls. Non-rate revenues are estimated at \$89,000 annually and are used to offset rate increases. Total current revenues are budgeted at \$4.6 million and are proposed to increase to about \$6.3 million by FY2021. Please note that the metered sewer rate increase is 11% in FY2017. However, due to conservation, customers are projected to decrease water use by 10% which offsets the rate increase. Drought-level water use and accompanying sewer flow is projected throughout the five-year rate study period. Should water consumption increase, the Town could consider delaying or reducing future year rate increases.

Table 5 also presents the wastewater utility’s operating costs consisting of staffing, maintenance, the operations contract with Veolia, and utilities (electricity). Operating costs are projected to increase from about \$3.9 million (current budgeted) to about \$4.2 million over the next five years. FY2016 and FY2017 expenses shown in Table 5 are budgeted operating expenses. Expenses projected from FY2018 to FY2021 are based on the FY2018 expenses escalated by 3% annually.

The financial goal for the Town’s wastewater fund is to meet operating and capital costs while maintaining a good credit rating and adequate reserves for emergencies. The debt service coverage ratio for the wastewater utility is provided below. Debt service coverage is calculated as net operating revenues divided by the annual debt service payment. At minimum, BWA recommends that public agencies maintain a coverage ratio of at least 1.25 times the annual debt payment. Ideally, the Town should target a coverage ratio of 1.5 times the annual payment to maintain a strong credit rating. In FY2016, the wastewater fund is projected to end the fiscal year with a coverage ratio of 0.87. However, the Town can pledge the combined revenues of the water and wastewater enterprises to satisfy the debt service of the 2012 bonds and meet its coverage requirements. This rate plan has included rate increases to allow the wastewater fund to meet its debt coverage minimum requirements without comingling revenues with the water fund.

**Table 5: Wastewater Operating Cash Flows
Town of Discovery Bay
Wastewater Rate Study**

	Current FY2016	Projected FY2017	Projected FY2018	Projected FY2019	Projected FY2020	Projected FY2021
Beginning balance	\$2,508,000	\$1,763,000	\$1,635,000	\$1,494,000	\$1,354,000	\$1,347,000
Rate Increase		11.0%	11.0%	4.0%	4.0%	4.0%
Monthly Rate	\$61.95	\$68.76	\$76.32	\$79.38	\$82.55	\$85.85
New Customers		<u>5</u>	<u>5</u>	<u>5</u>	<u>5</u>	<u>5</u>
Total Equivalents	5,758	5,763	5,768	5,773	5,778	5,783
Revenues						
Wastewater service						
Zone 9 Reimbursement	89,000	89,000	89,000	89,000	89,000	89,000
Other & Misc	60,000	60,000	60,000	60,000	60,000	60,000
Property Taxes (unmetered)	4,280,000	4,755,000	5,283,000	5,499,000	5,724,000	5,958,000
Metered sewer flow	<u>127,000</u>	<u>127,000</u>	<u>141,000</u>	<u>147,000</u>	<u>153,000</u>	<u>159,000</u>
Total revenues	4,556,000	5,031,000	5,573,000	5,795,000	6,026,000	6,266,000
% increase in expenses			3.0%	3.0%	3.0%	3.0%
Expenses						
Operating Expenses						
Admin & Inter Govt. & Board	463,000	463,000	463,000	477,000	491,000	506,000
Staffing & Consulting Serv	753,000	684,000	684,000	684,000	684,000	684,000
Operations & Maint	1,256,000	1,233,000	1,270,000	1,308,000	1,347,000	1,387,000
Utilities	484,000	484,000	499,000	514,000	529,000	545,000
Service Contract [1]	<u>950,000</u>	<u>950,000</u>	<u>965,000</u>	<u>994,000</u>	<u>1,024,000</u>	<u>1,055,000</u>
Total Operating Expenses	3,906,000	3,814,000	3,881,000	3,977,000	4,075,000	4,177,000
Net Operating Revenues	650,000	1,217,000	1,692,000	1,818,000	1,951,000	2,089,000
Debt Service						
2012 Rev. Bonds Debt Service	745,000	745,000	745,000	745,000	745,000	745,000
2017 New Debt Service	<u>0</u>	<u>0</u>	<u>488,000</u>	<u>488,000</u>	<u>488,000</u>	<u>488,000</u>
Total Debt Service	745,000	745,000	1,233,000	1,233,000	1,233,000	1,233,000
Debt Service Coverage	0.87	1.63	1.37	1.47	1.58	1.69
Total Expenses	4,651,000	4,559,000	5,114,000	5,210,000	5,308,000	5,410,000
Net Revenues	(95,000)	472,000	459,000	585,000	718,000	856,000
Transfer to Capital Fund	650,000	600,000	600,000	725,000	725,000	725,000
O&M Ending balance	1,763,000	1,635,000	1,494,000	1,354,000	1,347,000	1,478,000
Minimum balance target [2]	1,302,000	1,271,000	1,294,000	1,326,000	1,358,000	1,392,000

1 - Assumed increase in FY2017 due to contract renegotiation

2 - 4 months O&M expenses

Rate Design

BWA reviewed the Town's rate structure and finds it to be reasonable. The Town currently charges residential customers a fixed annual sewer charge and commercial customers are charged for sewer flow based on metered water use.

Residential Rate Design

As discussed in the water rate study, the typical water use in the Town is 15 ccf per month. The current single family residential sewer charge is \$61.95 per month (annual charge divided by 12 months). Divided by the current domestic strength wastewater rate of \$4.303/ccf, the equivalent monthly residential usage is 14.4 ccf. This usage corresponds with observed water consumption and is the Town's engineering design standard. Moreover, the Town assumes multifamily (condominium) water use of 11 ccf per month. This level of water use is used to develop both unmetered multifamily water charges and sewer charges. If drought conditions persist over a longer-term planning horizon, the Town could consider adjusting the residential wastewater charge to reflect lower water consumption.

Commercial Rate Design

The Town last conducted a detailed cost allocation of wastewater treatment costs to flow, biochemical oxygen demand (BOD), and total suspended solids (TSS) in June 2011. Flow is the volume of wastewater produced by the Town and BOD and TSS are pollutant strength characteristics. For this rate study, BWA will continue with the Town's past wastewater cost allocation developed by Hornberger Engineering. The Town should update the wastewater cost allocation as part of its next wastewater master plan.

BWA reviewed the Town's commercial rate categories in Table 6. The rate categories and commercial rate design, generally align with industry typical methodology. Due to fats, oils, and grease disposal and treatment, restaurants, for example, typically have high wastewater rates compared to domestic strength rates. As shown in Table 6, the Town's restaurant rate design is consistent with BWA's review of industry typical.

**Table 6: Commercial Strength Factors
Town of Discovery Bay
Wastewater Rate Study**

Commercial Rate Category	Current Rate (\$/ccf)	Ratio to Domestic Strength	Industry Typical
Other Domestic Strength Users	\$4.303	1.00	1.00
Business/Government/Clubs	\$4.303	1.00	0.75 to 2.00
Restaurants/Bars/Dining Facilities	\$12.601	2.93	2.00 to 3.00
Schools	\$3.873	0.90	0.75 to 1.00

Service Charge Projection

BWA finds the Town's wastewater rate design to be reasonable. To generate sufficient revenues to meet the cost of providing wastewater service over the next five years, BWA recommends maximum rate increases of 11% in FY2017 and FY2018, followed by 4% annual rate increases in FY2019 to FY2021, see

Table 7. These percent increases are applied to all rate categories except the vacant parcel charge which is projected to remain the same and is considered a legacy standby charge.

The Town’s current wastewater charge is in the high range of local agency bills. With the proposed FY2017 rate increase, the Town’s typical bill will be the highest in the region (see Figure 2). The bill survey does not include potential future rate increases that may be adopted by the agencies surveyed. Customers should note that although the Town has a relatively high wastewater bill, the Town has a relatively low typical water bill (see Water Rate Study, May 6, 2016). The combined utility bill is in the mid-range for the region.

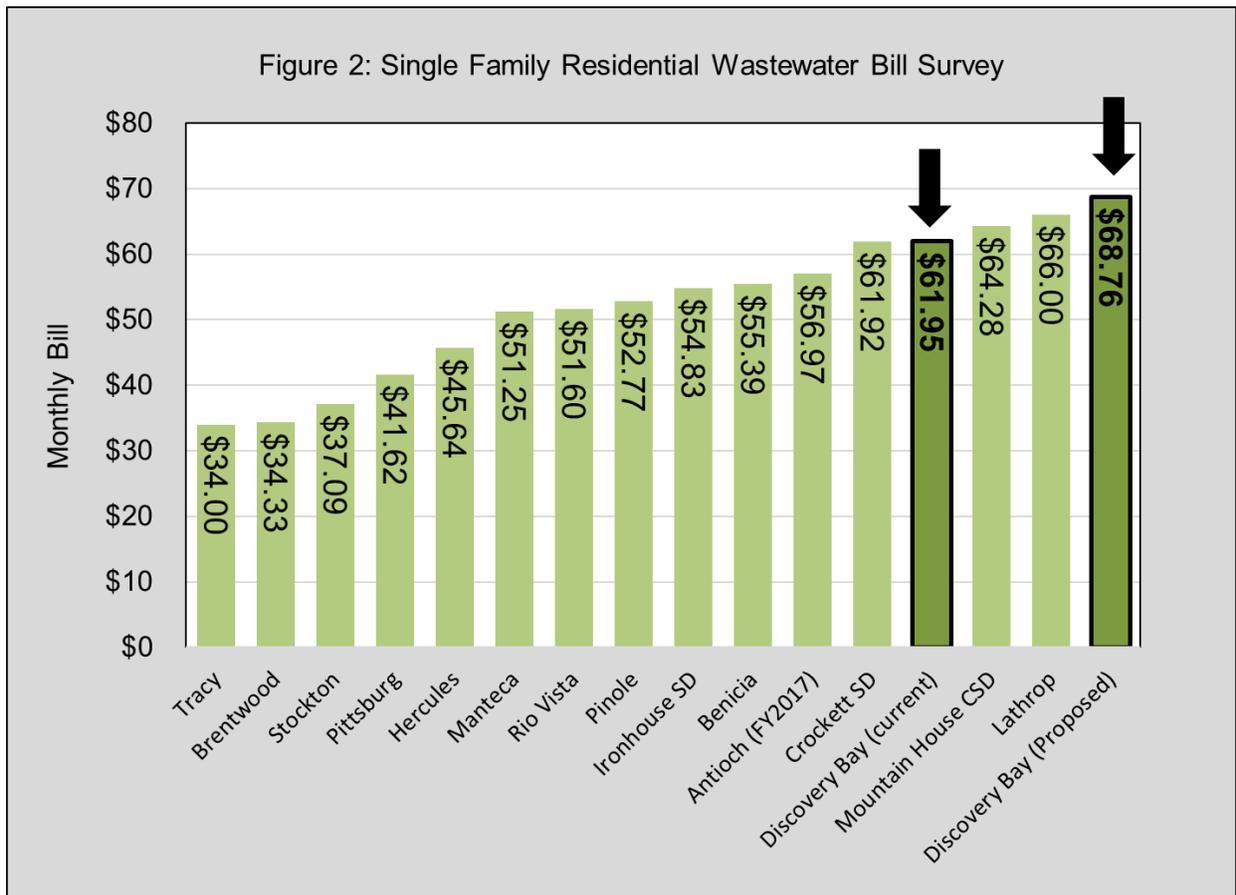


Table 7: Recommended Wastewater Rates and Charges
Town of Discovery Bay
Wastewater Rate Study
PROPOSED WASTEWATER
RATE INCREASES

WASTEWATER	Current		Proposed FY 2016/17		Proposed FY 2017/18		Proposed FY 2018/19		Proposed FY 2019/20		Proposed FY 2020/21	
	Monthly (\$/DU)	Yearly (\$/DU)	Monthly (\$/DU)	Yearly (\$/DU)	Monthly (\$/DU)	Yearly (\$/DU)	Monthly (\$/DU)	Yearly (\$/DU)	Monthly (\$/DU)	Yearly (\$/DU)	Monthly (\$/DU)	Yearly (\$/DU)
Residential Unmetered												
Single Family - Each DU	\$61.95	\$743.36	\$68.76	\$825.13	\$76.32	\$915.89	\$79.38	\$952.53	\$82.55	\$990.63	\$85.85	\$1,030.26
Multiple Family/Condos - Each DU	\$46.46	\$557.56	\$51.57	\$618.89	\$57.25	\$686.97	\$59.54	\$714.45	\$61.92	\$743.03	\$64.40	\$772.75
Vacant	\$18.67	\$224.00	\$18.67	\$224.00	\$18.67	\$224.00	\$18.67	\$224.00	\$18.67	\$224.00	\$18.67	\$224.00
Nonresidential Metered	Use (\$/ccf)		Use (\$/ccf)		Use (\$/ccf)		Use (\$/ccf)		Use (\$/ccf)		Use (\$/ccf)	
Business/Government/Clubs	\$4.303		\$4.776		\$5.302		\$5.514		\$5.734		\$5.964	
Restaurants/Bars/Dining Facilities	\$12.601		\$13.987		\$15.526		\$16.147		\$16.793		\$17.464	
Schools	\$3.873		\$4.299		\$4.772		\$4.963		\$5.161		\$5.368	
Other Domestic Strength Users	\$4.303		\$4.776		\$5.302		\$5.514		\$5.734		\$5.964	

DU = Dwelling Unit
ccf = 100 cubic feet = 748 gallons



Town of Discovery Bay Community Services District

Water Rate Study Draft Report May 6, 2016



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Re: Water Rate Study

Bartle Wells Associates (BWA) is pleased to submit to the Town of Discovery Bay Community Services District (Town) the attached Water Rate Study. The report presents BWA's analysis of the capital and operating costs of the water utility. It lists the assumptions and rate design objectives used in BWA's analysis. The report recommends updating rates and charges to more accurately recover the costs of providing service to the Town's customers. Recommendations were developed with substantial input from Town staff.

BWA finds that the water rates and charges proposed in our report to be based on the cost of service, follow generally accepted rate design criteria, and adhere to the substantive requirements of Proposition 218. BWA believes that the proposed rates are fair and reasonable to the Town's customers.

I enjoyed working with you on the rate study and appreciate the assistance and cooperation of Town staff throughout the project. Please contact me if you ever have any future questions about this study and the rate recommendations.

Yours truly,

Alison Lechowicz
Vice President
Bartle

Wells

Associates

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Executive Summary

Bartle Wells Associates (BWA) was engaged by the Town of Discovery Bay Community Services District (Town) to review the rates and charges of the water enterprise fund and to recommend updates to better reflect the cost of providing service to the Town's customers. Throughout this report, BWA makes a number of recommendations and conclusions which are provided below. Ultimately, BWA recommends increasing the typical single family monthly bill by 15% in fiscal years (FY) 2017 and 2018 and 12% annually in FY2019 to FY2021. These rate increases are based on the cost of service, are fair to customers, and meet the substantive requirements of Proposition 218. A schedule of recommended rates is provided as Table ES-1.

Key Findings

- The Town is in adequate financial shape, has positive net revenues, and has healthy fund reserves.
- The Town has made efforts to comply with mandatory water reductions set forth by the State Water Resource Control Board. The Town is required to reduce potable water usage by 29%. Drought water use is reflected in this report.
- The Town is planning to convert about 3,700 unmetered customers to metered customers in FY2016 and FY2017.

Key Recommendations

- The typical single family monthly bill is recommended to increase by 15% in fiscal years (FY) 2017 and 2018 and 12% annually in FY2019 to FY2021 to fund capital projects and recoup revenues lost due to the drought.
- Proposition 218 allows agencies to implement rates and charges that are lower than those approved via the Prop 218 hearing process. If actual Town water utility costs are lower than the projected costs included in this rate study or water use is higher than projected, the Town has the legal authority to implement lower rates without conducting public noticing or a public hearing.
- This rate study assumes that the Town will install approximately 3,700 meters in FY2017 on currently unmetered parcels. BWA recommends that the Town provide water usage data from the newly installed meters to these customers throughout FY2017 but continue to charge these customers the unmetered rate. In FY2018, BWA recommends that the Town charge all customers the metered rates and eliminate the unmetered rate schedule.
- BWA finds the Town's rate setting methodology to be reasonable, aside from one proposed adjustment. BWA recommends updating fire protection costs based on guidelines set forth by the American Water Works Association. This change results in higher fixed meter charges for irrigation customers.
- The Town should continue to meet or exceed debt coverage legal requirements.
- The Town should maintain an operating reserve of four months of operating expenses.
- The Town should continue to fund repair and replacement capital improvements to maintain and upgrade the water system.

**TABLE ES-1
PROPOSED WATER RATE INCREASES**

Avg Bill Increase (1 Inch Meter, 15 ccf/mo)

\$32.66 15% 15% 12% 12% 12%

\$37.55 \$43.19 \$48.25 \$53.92 \$60.27

WATER	Current		Proposed FY 2016/17		Proposed FY 2017/18		Proposed FY 2018/19		Proposed FY 2019/20		Proposed FY 2020/21	
	Monthly (\$/DU)	Yearly (\$/DU)	Monthly (\$/DU)	Yearly (\$/DU)	Monthly (\$/DU)	Yearly (\$/DU)	Monthly (\$/DU)	Yearly (\$/DU)	Monthly (\$/DU)	Yearly (\$/DU)	Monthly (\$/DU)	Yearly (\$/DU)
Residential Unmetered												
Parcel Size (Square Fee/DU)												
Condos w/irrigation	\$32.86	\$394.28	\$36.55	\$438.60								
Condos w/o irrigation	\$21.52	\$258.18	\$23.91	\$286.92								
Under 5,000	\$32.86	\$394.28	\$36.55	\$438.60								
5,000 - 10,000	\$41.56	\$498.66	\$46.03	\$552.36								
10,001 - 15,000	\$50.25	\$603.02	\$55.51	\$666.12								
Over 15,000,	\$50.25	\$603.02	\$55.51	\$666.12								
Vacant	\$14.67	\$176.00	\$14.67	\$176.00	\$14.67	\$176.00	\$14.67	\$176.00	\$14.67	\$176.00	\$14.67	\$176.00
Plus Each Additional 1,000	\$2.90	\$34.80	\$3.21	\$38.54								
WATER All Metered	Monthly (\$/month)	Use (\$/ccf)	Monthly (\$/month)	Use (\$/ccf)	Monthly (\$/month)	Use (\$/ccf)	Monthly (\$/month)	Use (\$/ccf)	Monthly (\$/month)	Use (\$/ccf)	Monthly (\$/month)	Use (\$/ccf)
Non-irrigation Account Charge:												
5/8" Inch Meter	\$9.98		\$13.85		\$16.20		\$18.02		\$20.06		\$22.35	
1 Inch Meter	\$9.98		\$13.85		\$16.20		\$18.02		\$20.06		\$22.35	
1 1/2 Inch Meter	\$19.98		\$26.73		\$31.43		\$35.07		\$39.16		\$43.74	
2 Inch Meter	\$31.96		\$42.15		\$49.68		\$55.50		\$62.04		\$69.37	
3 Inch Meter	\$63.91		\$83.29		\$98.34		\$109.99		\$123.06		\$137.72	
4 Inch Meter	\$99.86		\$129.58		\$153.09		\$171.30		\$191.71		\$214.63	
6 Inch Meter	\$199.72		\$258.15		\$305.18		\$341.60		\$382.43		\$428.26	
Irrigation Account Charge:												
5/8" Inch Meter	\$3.02		\$13.08		\$15.29		\$17.00		\$18.92		\$21.07	
1 Inch Meter	\$3.02		\$13.08		\$15.29		\$17.00		\$18.92		\$21.07	
1 1/2 Inch Meter	\$6.04		\$25.18		\$29.60		\$33.03		\$36.87		\$41.18	
2 Inch Meter	\$9.67		\$39.68		\$46.76		\$52.23		\$58.38		\$65.27	
3 Inch Meter	\$19.34		\$78.35		\$92.50		\$103.45		\$115.73		\$129.52	
4 Inch Meter	\$30.21		\$121.86		\$143.97		\$161.08		\$180.27		\$201.81	
6 Inch Meter	\$60.42		\$242.73		\$286.93		\$321.17		\$359.54		\$402.62	
Metered Usage Charge:												
All Usage		\$1.512		\$1.580		\$1.799		\$2.015		\$2.257		\$2.528
Newly Metered Customers Meter Install Fee (10-year payback)					\$9.00		\$9.00		\$9.00		\$9.00	

DU = Dwelling Unit
ccf = 100 cubic feet = 748 gallons

Rate Setting Legislation and Principles

In conducting this water rate study, BWA adheres to the Proposition 218 requirements as described in this section. Subsequent sections provide the detailed, cost of service basis for BWA's rate recommendations.

Proposition 218

Proposition 218, the "Right to Vote on Taxes Act", was approved by California voters in November 1996 and is codified as Articles XIIC and XIID of the California Constitution. Proposition 218 establishes requirements for imposing or increasing property related taxes, assessments, fees and charges. For many years, there was no legal consensus on whether water rates met the definition of "property related fees". In July 2006, the California Supreme Court essentially confirmed that Proposition 218 applies to water rates.

BWA recommends that the Town follow the procedural requirements of Proposition 218 for all water rate changes. These requirements include:

- **Noticing Requirement:** - The Town must mail a notice of proposed rate increases to all affected property owners. The notice must specify the basis of the fee, the reason for the fee, and the date/time/location of a public rate hearing at which the proposed rates will be considered/adopted.
- **Public Hearing:** - The Town must hold a public hearing prior to adopting the proposed rate increases. The public hearing must be held not less than 45 days after the required notices are mailed.
- **Rate Increases Subject to Majority Protest:** - At the public hearing, the proposed rate increases are subject to majority protest. If more than 50% of affected property owners submit written protests against the proposed rate increases, the increases cannot be adopted.

Proposition 218 also established a number of substantive requirements that are generally deemed to apply to utility service charges, including:

- **Cost of Service** - Revenues derived from the fee or charge cannot exceed the funds required to provide the service. In essence, fees cannot exceed the "cost of service".
- **Intended Purpose** - Revenues derived from the fee or charge can only be used for the purpose for which the fee was imposed.
- **Proportional Cost Recovery** - The amount of the fee or charge levied on any customer shall not exceed the proportional cost of service attributable to that customer.
- No fee or charge may be imposed for a service unless that service is used by, or immediately available to, the owner of the property. Standby charges shall be classified as "assessments" which are governed by Article 13D Section 4.

Charges for water are exempt from the additional voting requirements of Proposition 218 provided the charges do not exceed the cost of providing service and are adopted pursuant to procedural requirements of Proposition 218.

Rate Development Principles

In reviewing the Town's current water rates and finances, BWA used the following criteria in developing our recommendations:

1. *Revenue Sufficiency:* Rates should recover the annual cost of service and provide revenue stability.
2. *Rate Impact:* While rates are calculated to generate sufficient revenue to cover operating and capital costs, they should be designed to minimize, as much as possible, the impacts on ratepayers.
3. *Equitable:* Rates should be fairly allocated among all customer classes based on their estimated demand characteristics. Each user class only pays its proportionate share.
4. *Practical:* Rates should be simple in form and, therefore, adaptable to changing conditions, easy to administer and easy to understand.
5. *Provide Incentive:* Rates provide price signals which serve as indicators to conserve water and to use water efficiently.

Background

The Town provides water supply, treatment, and delivery to approximately 14,000 residents. The Town last conducted a water rate study in June 2013 which set rates through FY2017. This report provides recommended rates through FY2021.

The Town provides service to about 6,100 single family, condominium, commercial, irrigation, and vacant parcels or accounts within the Town. About 2,200 parcels are metered and about 3,900 are unmetered. Metered customers are billed monthly for water use and are also charged a fixed fee which is billed on the annual property tax roll. Unmetered water customers are billed annual fixed charges on the property tax roll.

Current Rates and Revenues

The Town is projected to collect about \$2.76 million in revenues (not accounting for delinquencies) from water service charges, see Table 1. In recent years, water use has decreased due to drought and metered water rate revenues have declined. For example, the 2013 Water Rate Study estimated annual metered water use of 686,000 hundred cubic feet (ccf, one ccf is 748 gallons). Water use in calendar year 2015 was about 462,000.¹ For FY2016, water use charges are projected to make up about 25% of water utility rate revenues.

Metered customers also pay fixed monthly charges based on the size of their water meters. Meter charges are projected to make up about 10% of the FY2016 water rate revenues. The base meter size is 1 inch, which is the typical residential meter size. The Town provides service to commercial and irrigation meters up to 4 inches. The vast majority of the Town's metered customers are residential; about 2,100 of the 2,200 meters in the Town serve residential customers. Most of the non-residential customers are irrigation customers. Irrigation customers pay lower monthly meter charges than commercial customers because they do not receive fire protection water service.

The Town collects about \$1.8 million, or about 65% of the water rate revenue, from unmetered customer charges. The Town has about 3,900 unmetered parcels that are charged for water service on the annual property tax bill. Unmetered customers are charged based on parcel type: condos with and without irrigation, vacant, and unmetered parcels based on lot size. In FY2017, the Town intends to meter 3,500 existing unmetered customers plus about 210 new customers from the Sand Bay Isle development. The remaining 370 vacant parcels would be metered by the developer when those parcels develop. Thus, vacant parcel metering is not included in this rate study.

Due to drought conditions and the meter roll out, the Town could face revenue volatility. As discussed above, about 25% of current rate revenues are collected from metered water rates. Due to the meter roll out program the percent of revenues collected from water rates will increase to about 65%.

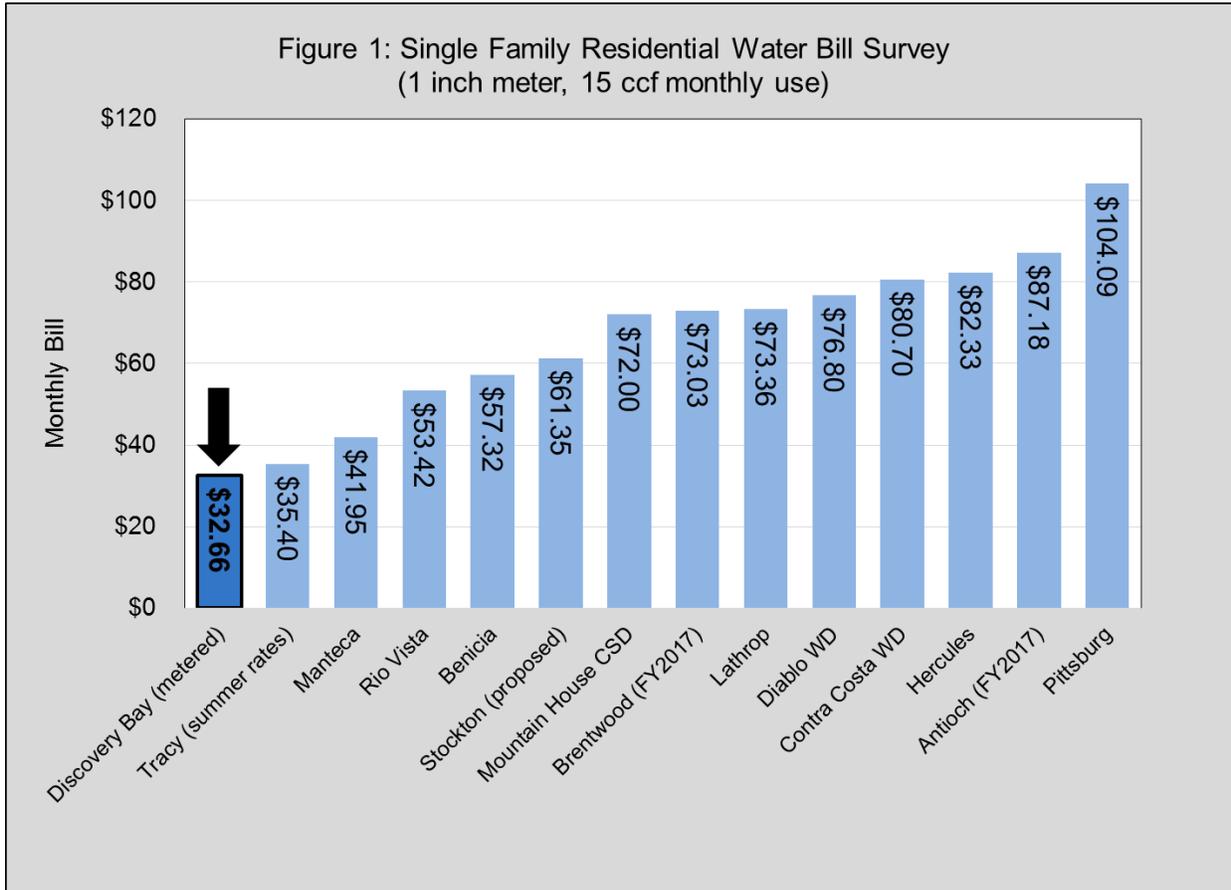
¹ The Town reduced its metered water use to 462,000 ccf annually with the addition of 200 new customers.

**Table 1: Current FY2016 Service Charge Revenues
Town of Discovery Bay
Water Rate Study**

Meter Size	No/ of Meters	Monthly Fee	Meter Fee Annual Revenue	Metered Rate (\$/ccf) Estimated Annual Water Use (ccf)	\$1.512 Annual Water Use Fees
Residential					
1"	<u>2,089</u>	\$9.98	\$250,179	309,418	\$468,000
Subtotal					
Residential	2,089				
Nonresidential					
Sandy Cove Shop. Center					
1"	1	\$9.98	\$120		
2"	7	\$31.96	\$2,685		
Lakeview Business Plaza					
4"	1	\$99.86	\$1,198		
Other Metered					
1"	6	\$9.98	\$719		
1.5"	7	\$19.98	\$1,678		
2"	2	\$31.96	\$767		
3"	3	\$63.91	\$2,301		
4"	1	\$99.86	\$1,198		
Irrigation					
5/8"	1	\$3.02	\$36		
1"	19	\$3.02	\$689		
1.5"	15	\$6.04	\$1,087		
2"	25	\$9.67	\$2,901		
3"	2	\$19.34	\$464		
4"	<u>5</u>	\$30.21	<u>\$1,813</u>		
Subtotal					
Nonresidential	95		\$17,655	152,266	\$230,000
Total Metered Customers	2,184		\$267,834	461,684	\$698,000
Unmetered Water	Number of Parcels	Annual Fee	Total Annual Revenues		
Condos w/irrigation	50	\$394.28	\$20,000		
Condos w/o irrigation	174	\$258.18	\$45,000		
Vacant & Waterways	372	\$176.00	\$65,000		
Unmetered Water					
<5,000 SF	87	\$394.28	\$34,302		
5,001 to 10,000 SF	2,867	\$498.66	\$1,429,658		
>10,000 SF	<u>340</u>	\$603.02	<u>\$205,027</u>		
Total	3,890		\$1,798,987		
			Summary		
		Metered	\$965,834		
		Unmetered	\$1,798,987		
		2% Delinquency	<u>(\$55,000)</u>		
		Total	\$2,709,822		

Typical water use and metered customer bills vary by season. In calendar year 2015, average metered residential summer water use peaked at 27 ccf per month and dipped to a low of 10 ccf per month during the winter. To illustrate bill impacts, BWA assumes typical residential water use of 15 ccf per

month. Under current rates, the typical residential customer would pay a \$9.98 fixed charge plus \$22.68 in water usages charges resulting in a total monthly bill of \$32.66. Figure 1 provides a residential bill survey comparing typical bills across the region. The Town of Discovery Bay currently has the lowest residential water bill.



Cost of Service

Under Proposition 218, the Town’s water rates and charges must be based on the cost of providing water service. Water service costs consist of the following:

- Operating costs including administration, maintenance, the service contract with Veolia, and meter reading
- Capital costs including water meters, wells, treatment improvements and pipelines replacements
- Debt service costs on the Town’s 2012 Revenue Bonds and projected new debt
- Maintaining adequate operating and capital reserves

The Town’s budgeted operating and capital reserves are provided in Table 2. In FY2016, the water utility has about \$2.9 million in reserves. It is recommended that the Town accumulate additional water fund reserves over the next five years to account for uncertainty regarding water use due to drought and unforeseen capital improvement projects that may arise from the Town’s upcoming water master plan.

**Table 2: Budgeted Reserves
Town of Discovery Bay
Water Rate Study**

Reserves	FY2015/16 Budget	Water	Wastewater
Water & Wastewater Operating Reserves [1]	\$4,180,213	\$1,672,085	\$2,508,128
Sewer Infrastructure Replacement Fund	\$950,000	\$0	\$950,000
Pumps/Motors Replacement Fund	\$240,000	\$240,000	\$0
Water Infrastructure Replacement Fund	\$859,143	\$859,143	\$0
Generators Replacement Fund [1]	\$75,000	\$30,000	\$45,000
Facilities & Vehicles Replacement Fund [1]	\$252,204	\$100,882	\$151,322
Operating Reserves Total	\$4,180,213	\$1,672,085	\$2,508,128
Infrastructure Replacement Total	\$2,376,347	\$1,230,025	\$1,146,322
Total Reserves	\$6,556,560	\$2,902,110	\$3,654,450

1 - 40% of funds allocated to the water enterprise

Table 3 establishes the Town’s water capital costs. Major projects include the water meter roll out (\$3 million), Well 8 (\$2.1 million) and SCADA system upgrades (\$0.5 million). It is envisioned that the Town will finance the meter roll out program in FY2017 and Well 8 in FY2020. All other projects will be cash funded from available revenues including capacity fee revenues from new customers connecting to the water system, water rate revenues (expressed as a transfer from operating), and capital reserves.

The water fund capital cash flow over the next five years is provided in Table 3. Historically, the Town has maintained water capital reserves of over \$1 million and the rate plan developed in this report would meet that target. Beginning of FY2016, the Town had about \$1.2 million in water infrastructure reserves. By the end of FY2021, the Town is projected to accumulate about \$3.7 million in capital

reserves, an increase of about \$2.5 million. This additional reserve can be used to fund Plant 1 improvements or projects that may be identified in the upcoming water master plan. Alternatively, the reserve can be used to cash fund Well 8 instead of debt financing or could be used to defease (pay off) the 2012 Revenue Bonds.

**Table 3: Water Capital Cash Flows
Town of Discovery Bay
Water Rate Study**

	Current FY2016	Projected FY2017	Projected FY2018	Projected FY2019	Projected FY2020	Projected FY2021
Beginning Balance	\$1,230,000	\$1,139,000	\$1,196,000	\$1,449,000	\$2,304,000	\$5,062,000
Revenues						
Capacity Fees	40,000	20,000	53,000	55,000	56,000	56,000
Transfer from Operating	0	500,000	500,000	800,000	800,000	800,000
Debt Proceeds [1]	0	<u>3,000,000</u>	0	0	<u>2,100,000</u>	0
Total revenues	40,000	3,520,000	553,000	855,000	2,956,000	856,000
Capital Improvements						
Meter Equipment & Installation		3,000,000	0	0	0	0
Truck for Meter Reading	0	30,000	0	0	0	0
Repair and Replacement Projects						
Well 8	0	0	0	0	198,000	1,936,000
Portable Light Trailer [2]	6,000	0	0	0	0	0
Vehicle Storage [2]	0	80,000	0	0	0	0
Storm Drain repairs at Newport WTP	0	8,000	0	0	0	0
Newport WTP Filter (2)	0	0	50,000	0	0	0
Willow Lake WTP Filter (3)	0	75,000	0	0	0	0
SCADA	0	250,000	250,000	0	0	0
Willow Lake WTP Stabilization - soils	0	<u>20,000</u>	0	0	0	0
Total Repair and Replacement Projects	6,000	433,000	300,000	0	198,000	1,936,000
Veolia Recommended Projects						
Newport WTP PLC	125,000	0	0	0	0	0
Willow Lk WTP PLC	0	0	0	0	0	0
Newport WTP Filter Replacements	0	0	0	0	0	0
Willow Lk WTP Filter Replacements	0	0	0	0	0	<u>259,000</u>
Total Veolia Projects	125,000	0	0	0	0	259,000
Total Capital Improvements	131,000	3,463,000	300,000	-	198,000	2,195,000
Total net revenues	(91,000)	57,000	253,000	855,000	2,758,000	(1,339,000)
Ending Balance	1,139,000	1,196,000	1,449,000	2,304,000	5,062,000	3,723,000

1 - Debt proceeds for Meter Installation in FY2017 and Well 8 in FY2020
2 - Water Fund share 40%

Table 4 provides the debt service estimates for the water meter roll out and Well 8. It is assumed that the water meters will be financed over ten years at 3% interest and Well 8 will be financed over fifteen years at 3.5% interest. These estimates include high interest rates and issuance costs that reflect a worst case scenario for financial planning purposes. The Town could also consider cash funding the projects or financing over a shorter term. This rate study does not commit the Town to financing the water meters.

Table 4 also provides the calculation of the monthly meter installation fee for newly metered customers. To avoid cross subsidies in which currently metered customers would pay debt service costs for newly metered customers, the Town should charge newly metered customers a separate meter installation fee. Based on a ten year financing, the meter installation fee would be \$9.00 monthly. After the ten year payback period, the installation fee would be eliminated. As stated above, the meter financing is based on worst case terms and conditions. If Town secures more favorable financing, the Town could implement a lower meter installation fee.

Table 4: Estimated Annual Debt Service Town of Discovery Bay Water Rate Study		
	Water Meters	Well 8
Project Cost	3,000,000	2,100,000
Issuance Costs	<u>100,000</u>	<u>100,000</u>
Total Financing	3,100,000	2,200,000
Term	10	15
Rate	3.00%	3.50%
Annual Debt Service	\$363,415	\$191,015
Annual Debt Service	\$363,415	
Number of Meters	3,728	
Monthly Meter Installation Fee	\$8.13	
Rounded Up	\$9.00	

Table 5 provides the water fund operating cash flow including rate and non-rate revenues, operating costs, debt service costs, and transfers to the capital fund. Non-rate revenues include Zone 9 reimbursements and miscellaneous revenues for items such as delinquency fees and service calls. Non-rate revenues are estimated at \$101,000 annually and are used to offset rate increases. Total current revenues are budgeted at \$2.8 million and are proposed to increase to about \$4.9 million by FY2021.

Table 5 also presents the water utility’s operating costs consisting of staffing, maintenance, the operations contract with Veolia, utilities (electricity), and meter reading. Operating costs are projected to increase from about \$2.6 million (current budgeted) to about \$3.1 million over the next five years.

The financial goal for the Town’s water fund is to meet operating and capital costs while maintaining a good credit rating and adequate reserves for emergencies. The debt service coverage ratio for the water utility is provided below. Debt service coverage is calculated as net operating revenues divided by the annual debt service payment. At minimum, BWA recommends that public agencies maintain a coverage ratio of at least 1.25 times the annual debt payment. Ideally, the Town should target a coverage ratio of 1.5 times the annual payment to maintain a strong credit rating. As shown below, the proposed revenue plan is projected to exceed this goal for the upcoming five years. The rate plan is also proposed to maintain an operating reserve in excess of the minimum targeted amount of four months of operating expenses.

**Table 5: Water Operating Cash Flows
Town of Discovery Bay
Water Rate Study**

	Current FY2016	Projected FY2017	Projected FY2018	Projected FY2019	Projected FY2020	Projected FY2021
Beginning Operating Balance	\$1,672,000	\$1,819,000	\$1,788,400	\$1,642,200	\$1,479,200	\$1,450,200
Revenues						
Rate Revenue	2,700,000	3,134,000	3,094,000	3,470,000	3,893,000	4,368,000
Less Delinquency (2%)	(54,000)	(63,000)	(62,000)	(69,000)	(78,000)	(87,000)
Vacant Parcel	65,000	64,000	62,000	60,000	58,000	57,000
Meter Reading (\$1/mo)	0	26,000	71,000	71,000	71,000	71,000
Meter Install Fees	0	0	364,000	364,000	364,000	364,000
Zone 9 Reimbursement	11,000	11,000	11,000	11,000	11,000	11,000
Other & Misc	<u>90,000</u>	<u>90,000</u>	<u>90,000</u>	<u>90,000</u>	<u>90,000</u>	<u>90,000</u>
Total Revenues	2,812,000	3,262,000	3,630,000	3,997,000	4,409,000	4,874,000
% increase in operating expenses	budget	estimate	3.0%	3.0%	3.0%	3.0%
Expenses						
Operating Expenses						
Admin & Inter Govt. & Board	306,000	306,000	315,000	324,000	334,000	344,000
Staffing & Consulting Serv	676,000	684,000	705,000	726,000	748,000	770,000
New Water Technician [1]	0	41,600	83,200	86,000	89,000	92,000
Operations & Maint	674,000	667,000	687,000	708,000	729,000	751,000
Utilities	320,000	320,000	330,000	340,000	350,000	361,000
Service Contract [2]	600,000	645,000	664,000	684,000	705,000	726,000
Meter Reading [3]	<u>0</u>	<u>40,000</u>	<u>40,000</u>	<u>40,000</u>	<u>40,000</u>	<u>40,000</u>
Total Operating Expenses	2,576,000	2,703,600	2,824,200	2,908,000	2,995,000	3,084,000
Net Operating Revenues	236,000	558,400	805,800	1,088,000	1,413,000	1,788,000
Debt Service						
2012 Rev. Bonds Debt Service	89,000	89,000	89,000	89,000	89,000	89,000
New Debt Service	<u>0</u>	<u>0</u>	<u>363,000</u>	<u>363,000</u>	<u>554,000</u>	<u>554,000</u>
Total Debt Service	89,000	89,000	452,000	452,000	643,000	643,000
Debt Service Coverage	2.65	6.27	1.78	2.41	2.20	2.78
Total Expenses	2,665,000	2,792,600	3,276,200	3,360,000	3,638,000	3,727,000
Total Net Revenues	147,000	469,400	353,800	637,000	770,000	1,145,000
Transfer to Capital	0	500,000	500,000	800,000	800,000	800,000
O&M Ending balance	1,819,000	1,788,400	1,642,200	1,479,200	1,450,200	1,797,200
Minimum balance target [4]	859,000	901,000	941,000	969,000	998,000	1,028,000

1 - Additional water technician staff. FY2017: 20 hrs per week at \$40/hr (fully burdened); FY2018: 40 hrs per week at \$40/hr (fully burdened); FY2019-2021 escalated by 3% annually

2 - Assumed increase in FY2016 due to contract renegotiation

3 - \$0.89/month per meter (newly metered customers)

4 - 4 months O&M expenses

Cost Allocation

The prior section of this report develops the cost of service and total rate revenue needed to provide safe and reliable water service. This section reviews the allocation of costs to fixed and volume rates and the allocation of costs to fire protection service and irrigation water service.

Fixed and Variable Costs

The Town bills its metered customers a fixed charge based on the size of the water meter and a volume rate charged to each hundred cubic foot of water used. As a first step in calculating the rates, Table 6 allocates water utility costs to fixed and variable (volume) cost centers. Meter reading costs are not included in Table 6 because meter reading costs will be recovered from a separate \$1 per month charge. Fixed costs include staffing, debt service, capital projects, and 75% of operations and maintenance and the Veolia service contract. These costs are incurred regardless of how much water the Town consumes. Variable costs are dependent on water consumption and include budgeted items such as utilities (electricity) and 25% of operations and maintenance and the Veolia service contract. Based on this first round of cost allocation, about \$648,000, 20%, in expenses are identified as variable costs.

In the second round of cost allocation, BWA reviewed water consumption patterns and assigned some fixed costs to be recovered from the volume rate. The Town’s base indoor/winter water use makes up about 55% of total metered water use under drought conditions. The Town makes water system operations, management, repair, and maintenance decisions based on long-term stable demand. Thus, 55% of fixed costs can be collected from the volume rate to reflect the costs associated with long-term, stable water use. The final proposed allocation is 36% cost recovery from fixed charges and 64% cost recovery from the volume rate. For comparison, in FY2016, the Town is projected to collect about \$700,000 in water volume charges (72%) and about \$268,000 in meter charges (28%) from currently metered customers (see Table 1). The cost allocation shown in Table 6 would increase cost recovery from fixed charges for metered customers.

BWA proposes a two year transition from the current cost allocation to the proposed cost to mitigate impacts on ratepayers. Table 7 provides the cost allocation transition and proposed rate revenue requirement for FY2017 and FY2018. Current FY2016 rate revenues are projected to be about \$2.7 million. Rate revenues are proposed to increase to about \$3.1 million for FY2017 and FY2018. Although revenues are not proposed to increase in FY2018, there is a proposed rate increase in FY2018. In FY2018, all customers will be fully transitioned to metered rates and will be billed for actual water use. Due to this billing change, customers will be incentivized to reduce their water use. BWA estimates that the typical customer will reduce use from 21 ccf to 15 ccf monthly following installation of the meter. The Town must then recover variable costs over a smaller base of water use resulting in a higher rate.

**Table 6: Allocation to Fixed and Variable Cost Centers
Town of Discovery Bay
Water Rate Study**

Cost	FY2017 Estimated	Fixed	Variable
Operating Expenses			
Admin & Inter Govt. & Board	306,000	100%	0%

Staffing & Consulting Services	684,000	100%	0%
New Water Technician	41,600	100%	0%
Operations & Maintenance	667,000	75%	25%
Utilities	320,000	0%	100%
Service Contract	<u>645,000</u>	<u>75%</u>	<u>25%</u>
Total Operating Expenses [1]	2,663,600	2,015,600	648,000
Debt Service			
2012 Revenue Bonds Debt Service	<u>89,000</u>	<u>100%</u>	<u>0%</u>
Total Debt Service	89,000	89,000	0
Transfer to Capital	<u>500,000</u>	<u>100%</u>	<u>0%</u>
	500,000	500,000	0
Subtotal Expenses	3,252,600	2,604,600	648,000
Cost recovery adjustment based on maintenance and management of long- term water demand		<u>-55%</u>	
		(1,432,500)	1,432,500
Total	3,252,600	1,172,000	2,080,500
Proposed Cost Allocation		36%	64%

1 – Does not include meter reading costs which will be funded from a separate \$1/month charge.

**Table 7: Revenue Requirement
Town of Discovery Bay
Water Rate Study**

	Estimated FY2016	FY2017	FY2018
Non-rate Revenues			
Use of Reserves		29,300	145,000
Vacant Parcel Charge		64,000	62,000
Meter Reading		26,000	71,000
Meter Reimbursements		0	364,000
Other Non-Rate Revenue		<u>101,000</u>	<u>101,000</u>
Total Non-rate Revenues		220,300	743,000
Expenses			
Operating Costs		2,703,600	2,824,200
Debt Service Costs		89,000	452,000
Capital Costs		500,000	500,000
Contribution to Reserves		<u>0</u>	<u>0</u>
Total Costs		3,292,600	3,776,200
Net		(3,072,300)	(3,033,200)
Revenue Requirement		3,072,300	3,033,200
Rate Revenue Requirement w/2% delinquency	2,710,000	3,135,000	3,095,000
% increase		15.68%	-1.28%
Fixed (30%)		941,000	
Volume (70%)		2,194,000	
Fixed (35%)			1,115,000
Volume (65%)			1,980,000

Fire Protection

The Town provides water service to irrigation customers and residential and commercial customers. Residential and commercial customers benefit from the water system via both the provision of water and from fire protection service. In the engineering and construction of the water system, the Town upsized its water infrastructure to meet fire flow water demands. Irrigation customers do not require fire service and should not pay infrastructure costs associated with fire protection.

In recent years, the American Water Works Association (AWWA) has revised its recommended methodology for calculating fire protection costs. The AWWA M1 Manual provides a formula from the National Board of Fire Underwriters for determining the required fire flow of the Town based on population. Based on the formula, BWA calculates a fire flow of 3,674 gallons per minute (gpm). The Town's 2012 Water Master Plan provides a peak hour demand of 9,150 gpm. The ratio of the peak hour demand to fire flow demand is 2.49. Based on this ratio, the AWWA methodology suggest fire protection service costs equal to 6% of gross revenues (AWWA M1 Manual, Sixth Edition, page 143). Because the Town recovers infrastructure costs from fixed charges (instead of total gross revenues), BWA's proposed rate design deducts 6% from irrigation meter charges for fire protection.

Rate Design

This section calculates fixed meter charges, water volume rates, and unmetered customer charges. It is envisioned that unmetered customers will continue to be charged the unmetered rates throughout FY2017. By FY2018, the Town projects that all customers will be metered and the unmetered rate schedule will be eliminated. The following subsections calculate the proposed fixed meter charges, volume rates, and FY2017 unmetered customer charges.

Fixed Meter Charges

Consistent with the Town’s historical rate design and AWWA recommended methodology, fixed meter charges are scaled based on the capacity of the water meter. Capacity of the water meter represents the total amount of water that can pass through the meter at a given time. Capacity of the meter is proxy for the customer benefit derived from water infrastructure. Table 8 provides the AWWA recommended meter capacity ratios. The Town’s base water meter is 1 inch² and larger meter sizes are scaled to the capacity of the 1 inch meter. For example, a 6 inch meter can deliver 20 times the amount of water as a 1 inch meter. For irrigation customers, fire service costs are deducted from the meter ratios.

**Table 8: Water Meter Capacity Ratios
Town of Discovery Bay
Water Rate Study**

Meter Size	Ratio [1]	Less Fire Service (94%)
Up to 1 Inch	1.00	0.94
1 1/2 Inch	2.00	1.88
2 Inch	3.20	3.01
3 Inch	6.40	6.02
4 Inch	10.00	9.41
6 Inch	20.00	18.81

1 - AWWA meter capacity ratio

Tables 9 and 10 use the meter capacity ratios shown above to calculate the base (1 inch) meter charge for FY2017 and FY2018, respectively. The proposed meter capacity ratios are multiplied by the number of customers to calculate a total number of equivalent meters. It is assumed that all unmetered customers will be served by 1 inch meters. The fixed charge revenue requirement is divided by the total number of meter equivalents to calculate the 1 inch meter charge. The charges for larger meters are calculated as the meter ratio multiplied by the 1 inch meter charge, see Table 11. The rates for FY2019 to FY2021 include 12% annual increases over the FY2018 rates. By FY2019, the cost allocation transition is complete and all rates are increased by the same percent.

Table 9: FY2017 Fixed Meter Charge Calculation

² A small number of commercial customers are served by 5/8 inch meters. Per Town policy, 5/8 inch meters are charged the 1 inch meter rate.

**Town of Discovery Bay
Water Rate Study**

Customer	No. of Customers [1]	Water Meter Capacity	Fire Service	Proposed Ratio	FY2017 Total Equivalents [2]
Metered					
Residential & Commercial					
1"	2,101	0.94	0.06	1.00	2,101.00
1.5"	7	1.88	0.12	2.00	14.01
2"	9	3.01	0.19	3.20	28.82
3"	3	6.02	0.38	6.40	19.21
4"	2	9.41	0.60	10.01	20.01
6"	0	18.81	1.20	20.01	0.00
Total	2,122				2,183.06
Irrigation					
5/8"	6	0.94		0.94	5.64
1"	24	0.94		0.94	22.56
1.5"	15	1.88		1.88	28.23
2"	25	3.01		3.01	75.26
3"	2	6.02		6.02	12.04
4"	5	9.41		9.41	47.03
6"	0	18.81		18.81	0.00
Total	77				190.75
Unmetered					
Condos w/irrigation	50	0.94	0.06	1.00	50.00
Condos w/o irrigation	174	0.94	0.06	1.00	174.00
Unmetered Water					
<5,000 SF	87	0.94	0.06	1.00	87.00
5,001 to 10,000 SF	2,867	0.94	0.06	1.00	2,867.00
Sand Bay Isle (new)	210	0.94	0.06	1.00	210.00
>10,000 SF	340	0.94	0.06	1.00	340.00
	3,728				3,728.00
Total	5,927				6,102
FY2017 Fixed Charge Revenue Requirement (see Table 7)					\$941,000
Rate (\$/mo)					\$12.85

1 – The Town is projected to add ten new irrigation customers and five new residential customers in FY2017.
2 – Proposed ratio multiplied by the number of customers

**Table 10: FY2018 Fixed Meter Charge Calculation
Town of Discovery Bay
Water Rate Study**

Customer	No. of Customers [1]	Water Meter Capacity	Fire Service	Proposed Ratio	FY2018 Total Equivalents [2]
-----------------	-----------------------------	-----------------------------	---------------------	-----------------------	-------------------------------------

Metered					
Residential & Commercial					
1"	5,834	0.94	0.06	1.00	5,834.00
1.5"	7	1.88	0.12	2.00	14.01
2"	9	3.01	0.19	3.20	28.82
3"	3	6.02	0.38	6.40	19.21
4"	2	9.41	0.60	10.01	20.01
6"	0	18.81	1.20	20.01	0.00
Total	5,855				5,916.06
Irrigation					
5/8"	11	0.94		0.94	10.34
1"	24	0.94		0.94	22.56
1.5"	15	1.88		1.88	28.23
2"	25	3.01		3.01	75.26
3"	2	6.02		6.02	12.04
4"	5	9.41		9.41	47.03
6"	0	18.81		18.81	0.00
Total	82				195.45
Unmetered [2]					
Condos w/irrigation	0	0.94	0.06	1.00	0.00
Condos w/o irrigation	0	0.94	0.06	1.00	0.00
Unmetered Water					
<5,000 SF	0	0.94	0.06	1.00	0.00
5,001 to 10,000 SF	0	0.94	0.06	1.00	0.00
Sand Bay Isle (new)	0	0.94	0.06	1.00	0.00
>10,000 SF	0	0.94	0.06	1.00	0.00
	0				0
Total Fixed Charge Eq	5,937				6,112
FY2018 Fixed Charge Revenue Requirement (see Table 7)					\$1,115,000
Rate (\$/mo)					\$15.20

1 – It is projected that the Town will add five new residential and five new irrigation customers annually in FY2018 and beyond.
2 – By FY2018, it is projected that the Town will be fully metered and the unmetered rate schedule will be eliminated.

**Table 11: Water Meter Capacity Charges
Town of Discovery Bay
Water Rate Study**

Meter Size	FY2017	FY2018
Residential and Commercial		
Up to 1 Inch	\$12.85	\$15.20
1 1/2 Inch	\$25.73	\$30.43
2 Inch	\$41.15	\$48.68
3 Inch	\$82.29	\$97.34

4 Inch	\$128.58	\$152.09
6 Inch	\$257.15	\$304.18
Irrigation		
Up to 1 Inch	\$12.08	\$14.29
1 1/2 Inch	\$24.18	\$14.29
2 Inch	\$38.68	\$28.60
3 Inch	\$77.35	\$45.76
4 Inch	\$120.86	\$91.50
6 Inch	\$241.73	\$142.97

Note: charges do not include \$1/month meter reading fee

Volume Rate

Table 12 calculates the volume rate for FY2017 and FY2018. The volume revenue requirement developed in Table 7 is divided by estimated water use to calculate a \$/ccf rate. FY2017 metered water use is estimated as the FY2016 water use plus the water use of ten new customers assumed to use 15 ccf monthly. The unmetered water use is developed in the following subsection.

**Table 12: Volume Rate Calculation
Town of Discovery Bay
Water Rate Study**

	FY2017	FY2018
Volume Revenue Requirement (see Table 7)	\$2,194,000	\$1,980,000
Estimated Water Use		
Metered	463,484	1,100,495
Unmetered	<u>924,840</u>	<u>0</u>
Total Water Use (ccf)	1,388,324	1,100,495
Rate (\$/ccf)	\$1.580	\$1.799

The volume rate for subsequent years is proposed to increase by 12% annually over the FY2018 rate to meet variable cost increases.

Unmetered Customer Charges

Table 13 provides estimated unmetered water use and calculates the unmetered charges for FY2017. By FY2018 it is projected that all customers will be metered and the unmetered rate schedule will be eliminated. Unmetered customers pay the same embedded rates as metered customers. It is assumed that all unmetered customers use the same capacity in the system as a 1 inch metered customer and are thus charged the base capacity meter charge. The proposed unmetered customer charge also includes water consumption charges based on assumed water use.

**Table 13: FY2017 Unmetered Charges
Town of Discovery Bay
Water Rate Study**

Customer Group	Ratio	Monthly Fixed Charge	Estimated Monthly Water Use (ccf)	Monthly Volume Charge	Total Monthly Bill	# of Cust.	Equivalents [1]	Unmetered Estimated Annual Water Use (ccf)
Rate		\$12.85		\$1.580				
Condos w/irrigation	1.00	\$12.85	15.00	\$23.70	\$36.55	50	40	9,000
Condos w/o irrigation	1.00	\$12.85	7.00	\$11.06	\$23.91	174	90	14,616
Parcel Size								
<5,000 SF	1.00	\$12.85	15.00	\$23.70	\$36.55	87	69	15,660
5,001 to 10,000 SF	1.00	\$12.85	21.00	\$33.18	\$46.03	2,867	2,867	722,484
Sand Bay Isle (new)	1.00	\$12.85	21.00	\$33.18	\$46.03	210	210	52,920
>10,000 SF	1.00	\$12.85	27.00	\$42.66	\$55.51	<u>340</u>	<u>410</u>	<u>110,160</u>
						3,728	3,686	924,840

1 – The base unmetered customer is the 5,001 to 10,000 square foot (SF) parcel. The unmetered equivalents are calculated as the total monthly bill compared to the 5,0001 to 10,000 square foot parcel bill multiplied by the number of customers.

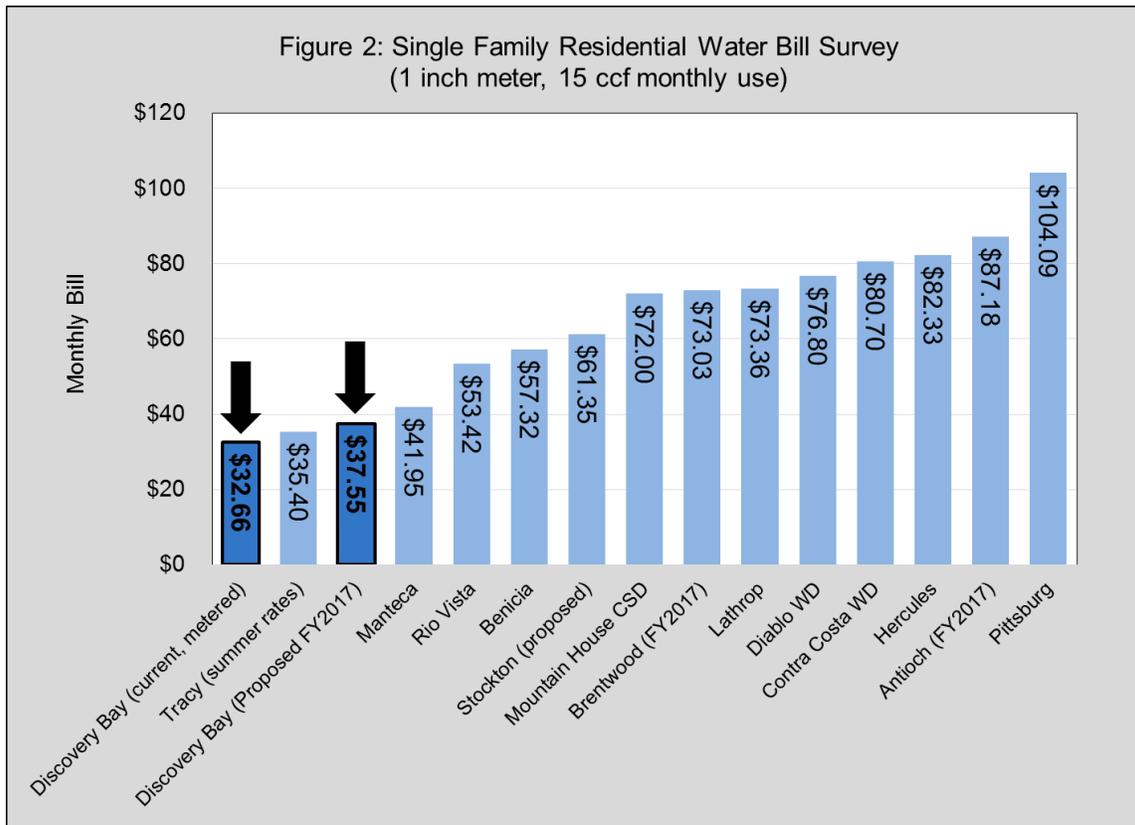
Table 14 compares the unmetered water use assumed in this study compared with the unmetered water use assumed in prior rate studies. Water use is assumed to be slightly lower in FY2016 due to drought conditions. Although unmetered customers are not charged for each unit of water, they are members of the community and receive public messaging regarding conservation.

**Table 14: Unmetered Water Use Comparison
Town of Discovery Bay
Water Rate Study**

Unmetered Customers	Assumed Monthly Water Use per Parcel (ccf)	
	2011 & 2013 Rate Study	2016 Rate Study
Condos w/irrigation	17	15
Condos w/o irrigation	10	7
Parcel Size		
<5,000 SF	17	15
5,001 to 10,000 SF	23	21
>10,000 SF	29	27

Service Charge Projection

Table 15 provides the water utility service charge projection for the next five years including rates and revenues from metered and unmetered customers. Total rate revenues are projected to increase from about \$2.7 million in FY2016 to about \$4.4 million in FY2021. Table 15 also provides the typical single family residential bill over the next five years. The typical bill is projected to increase from \$32.66 to \$60.27 by FY2021. Even with the proposed FY2017 rate increase, the Town’s typical water bill will remain amongst the lowest in the region, see Figure 2. A full schedule of rates and charges is provided in Table 16. The total fixed charges shown in Table 16 include both the meter capacity charges plus a \$1 per month meter reading fee.



**Table 15: Service Charge Projection
Town of Discovery Bay
Water Rate Study**

	Current FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
Increase in typical monthly bill (metered)		15%	15%	12%	12%	12%
Typical Bill (15 ccf/month)	\$32.66	\$36.55	\$42.19	\$47.25	\$52.92	\$59.27
Meter Reading Fee		\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
Total Bill	\$32.66	\$37.55	\$43.19	\$48.25	\$53.92	\$60.27
Water Use						
Metered Consumption (ccf) [1]	461,684	463,484	1,100,495	1,102,295	1,104,095	1,105,895
Rate	\$1.512	\$1.580	\$1.799	\$2.015	\$2.257	\$2.528
Total Water Use Revenue	\$698,000	\$732,000	\$1,980,000	\$2,221,000	\$2,492,000	\$2,796,000
Water Meter Fixed Charge						
Residential and Commercial						
New Development [2]		5	5	5	5	5
Newly Metered Customers		0	3,728	0	0	0
Existing Customers	2,178	2,178	2,183	5,916	5,921	5,926
Total Equivalents	2,178	2,183	5,916	5,921	5,926	5,931
Monthly Charge	\$9.98	\$12.85	\$15.20	\$17.02	\$19.06	\$21.35
Annual Revenue	\$261,000	\$337,000	\$1,079,000	\$1,209,000	\$1,355,000	\$1,520,000
Irrigation						
New Customers		5	5	5	5	5
Existing	193	193	198	203	208	213
Monthly Charge	\$3.02	\$12.08	\$14.29	\$16.00	\$17.92	\$20.07
Annual Revenue	\$7,000	\$29,000	\$35,000	\$40,000	\$46,000	\$52,000
Meter Fixed Charge Revenue	\$268,000	\$366,000	\$1,114,000	\$1,249,000	\$1,401,000	\$1,572,000
Unmetered Customers						
Number of Unmetered Equivalents	3,477	3,686				
Unmetered Charge 5,001 to 10,000 SF	\$41.56	\$46.03				
Unmetered Water Charge Revenue	\$1,734,000	\$2,036,000				
Total Water Service Revenue	\$2,700,000	\$3,134,000	\$3,094,000	\$3,470,000	\$3,893,000	\$4,368,000
Vacant Parcels [2]						
Vacant Parcel Charge	\$14.67	\$14.67	\$14.67	\$14.67	\$14.67	\$14.67
Vacant Parcel Revenue	\$65,000	\$64,000	\$62,000	\$60,000	\$58,000	\$57,000

Note: Revenues shown in this table do not have a delinquency factor included. A delinquency factor is added into the revenues in subsequent tables.

1 - Each new customer is assumed to use 15 ccf monthly.

2 - It is assumed that each new connection will occupy a previously vacant parcel

**Table 16: Recommended Water Rates and Charges
Town of Discovery Bay
Water Rate Study**

Avg Bill Increase (1 Inch Meter, 15 ccf/mo) \$32.66 15% \$37.55 15% \$43.19 12% \$48.25 12% \$53.92 12% \$60.27

WATER	Current		Proposed FY 2016/17		Proposed FY 2017/18		Proposed FY 2018/19		Proposed FY 2019/20		Proposed FY 2020/21	
	Monthly (\$/DU)	Yearly (\$/DU)	Monthly (\$/DU)	Yearly (\$/DU)	Monthly (\$/DU)	Yearly (\$/DU)	Monthly (\$/DU)	Yearly (\$/DU)	Monthly (\$/DU)	Yearly (\$/DU)	Monthly (\$/DU)	Yearly (\$/DU)
Residential Unmetered												
Parcel Size (Square Feet/DU)												
Condos w/irrigation	\$32.86	\$394.28	\$36.55	\$438.60								
Condos w/o irrigation	\$21.52	\$258.18	\$23.91	\$286.92								
Under 5,000	\$32.86	\$394.28	\$36.55	\$438.60								
5,000 - 10,000	\$41.56	\$498.66	\$46.03	\$552.36								
10,001 - 15,000	\$50.25	\$603.02	\$55.51	\$666.12								
Over 15,000,	\$50.25	\$603.02	\$55.51	\$666.12								
Vacant	\$14.67	\$176.00	\$14.67	\$176.00	\$14.67	\$176.00	\$14.67	\$176.00	\$14.67	\$176.00	\$14.67	\$176.00
Plus Each Additional 1,000	\$2.90	\$34.80	\$3.21	\$38.54								
WATER All Metered	Monthly (\$/month)	Use (\$/ccf)	Monthly (\$/month)	Use (\$/ccf)	Monthly (\$/month)	Use (\$/ccf)	Monthly (\$/month)	Use (\$/ccf)	Monthly (\$/month)	Use (\$/ccf)	Monthly (\$/month)	Use (\$/ccf)
Non-irrigation Account Charge:												
5/8 Inch Meter	\$9.98		\$13.85		\$16.20		\$18.02		\$20.06		\$22.35	
1 Inch Meter	\$9.98		\$13.85		\$16.20		\$18.02		\$20.06		\$22.35	
1 1/2 Inch Meter	\$19.98		\$26.73		\$31.43		\$35.07		\$39.16		\$43.74	
2 Inch Meter	\$31.96		\$42.15		\$49.68		\$55.50		\$62.04		\$69.37	
3 Inch Meter	\$63.91		\$83.29		\$98.34		\$109.99		\$123.06		\$137.72	
4 Inch Meter	\$99.86		\$129.58		\$153.09		\$171.30		\$191.71		\$214.63	
6 Inch Meter	\$199.72		\$258.15		\$305.18		\$341.60		\$382.43		\$428.26	
Irrigation Account Charge:												
5/8" Inch Meter	\$3.02		\$13.08		\$15.29		\$17.00		\$18.92		\$21.07	
1 Inch Meter	\$3.02		\$13.08		\$15.29		\$17.00		\$18.92		\$21.07	
1 1/2 Inch Meter	\$6.04		\$25.18		\$29.60		\$33.03		\$36.87		\$41.18	
2 Inch Meter	\$9.67		\$39.68		\$46.76		\$52.23		\$58.38		\$65.27	
3 Inch Meter	\$19.34		\$78.35		\$92.50		\$103.45		\$115.73		\$129.52	
4 Inch Meter	\$30.21		\$121.86		\$143.97		\$161.08		\$180.27		\$201.81	
6 Inch Meter	\$60.42		\$242.73		\$286.93		\$321.17		\$359.54		\$402.62	
Metered Usage Charge:												
All Usage		\$1.512		\$1.580		\$1.799		\$2.015		\$2.257		\$2.528
Newly Metered Customers												
Meter Install Fee (10-year payback)					\$9.00		\$9.00		\$9.00		\$9.00	

DU = Dwelling Unit
ccf = 100 cubic feet = 748 gallons



**TOWN OF DISCOVERY BAY
COMMUNITY SERVICES DISTRICT**

RESOLUTION 2016-10

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE TOWN OF DISCOVERY BAY
A CALIFORNIA COMMUNITY SERVICES DISTRICT,
ESTABLISHING CHARGES FOR WATER AND WASTEWATER
SERVICE AND CONTINUING COLLECTION OF WATER AND WASTEWATER
SERVICE CHARGES ON THE COUNTY TAX ROLL FOR THE PERIOD FY 2016-17 THROUGH FY 2020-21
AND THEREAFTER**

WHEREAS, the Board of Directors of the Town of Discovery Bay Community Services District commissioned Bartle Wells Associates to develop a "Water and Wastewater Rate Study" for the period FY 2016-17 through FY 20120-21 and thereafter; and

WHEREAS, the Board has accepted the Report on June 15, 2016; and

WHEREAS, the Board has determined that it is necessary to increase the Water service charges for metered users to be billed monthly; and

WHEREAS, the Board has determined that it is necessary to increase the Water service charges for non-metered residential users and to collect such charges on the County tax rolls; and

WHEREAS, the Board has determined that it is necessary to increase the Wastewater service charges for residential users and to collect such charges on the County tax rolls; and

WHEREAS, the Board has determined that it is necessary to increase the Wastewater service charges for all metered commercial users to be billed monthly; and

WHEREAS, the Board has determined that it is necessary to accept and continue in effect those charges for water and sewer services established by Contra Costa County Sanitation District 19 pursuant to its Ordinance No. 18, and accepted and continued by Town of Discovery Bay Community Services District Ordinance No. 1, including collection of those charges on the County tax rolls, for those users within the Town of Discovery Bay CSD which are not metered or are not non-metered residential users; and

WHEREAS, the Board finds and declares that the Town of Discovery Bay Community Services District has prepared a report of all parcels in the district receiving water and wastewater services, and the amount of the charge for each parcel for the year; and that written notice of said report was mailed to each person to whom any parcel of real estate described in such report is assessed; and that the Town of Discovery Bay Community Services District has held a public hearing pursuant to Government Code section 61115; and

WHEREAS, the Board finds and declares that the Town of Discovery Bay Community Services District has complied with the requirements of California Constitution Article XIIIID, Section 6 (Proposition 218), and that no majority protest was received;

NOW THEREFORE BE IT RESOLVED THAT THE BOARD OF DIRECTORS OF THE TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT DOES AS FOLLOWS:

1. That the above recitals are true and correct, and are incorporated as part of this Resolution.
2. For Fiscal Years 2016/2017, 2017/2018, 2018/2019, 2019/2020 and 2020/2021 and thereafter that the water and wastewater rates are established as set forth in Table ES-1, attached hereto as Exhibit A.
3. The General Manager shall have the authority, in the event of a parcel having large irrigated areas, to reduce the sewer use component of the above rates to recognize that water for irrigation does not enter the wastewater system.
4. The rates for water for all parcels which are non-metered and are not included in the categories set forth in Exhibit A of this Resolution are continued at the level established by Contra Costa County Sanitation District 19 pursuant to its Ordinance No. 18, and accepted and continued by the Town of Discovery Bay Community Services District Ordinance No. 1.
5. The rates for residential and commercial wastewater parcels which are metered and are not included in the categories set forth in Exhibit A of this Resolution are continued at the level established by Contra Costa County Sanitation District 19 pursuant to its Ordinance No. 18, and accepted and continued by the Town of Discovery Bay Community Services District Ordinance No. 1.
6. The Board finds and declares that the annual charge for non-metered water and wastewater services shall be collected on the Contra Costa County tax roll as set forth in Government Code §§ 61115 and following, and the Secretary of the Town of Discovery Bay Community Services District is authorized and directed to file the report of such charges, and all other documents necessary, with the Auditor-Controller of Contra Costa County.
7. The Board finds and declares that the adoption of this Resolution and the rates established herein is exempt from the requirements of the California Environmental Quality Act pursuant to Title 14, California Code of Regulations § 15273(a), and specifically adopts and incorporates herein as part of the record and as findings those sections of the Report which discuss the need for revenue, including the projected total operating expenses, the capital projects and the improvements required, and specifically finds and declares that the charges established herein are for the purposes specified in Title 14, California Code of Regulations, § 15273(a)(1) through 15273(a)(4).
7. The Secretary of the Town of Discovery Bay Community Services District is authorized and directed to file a Notice of Exemption pursuant to Title 14, California Code of Regulations, §15062.

PASSED, APPROVED AND ADOPTED THIS 20th DAY OF JULY, 2016.

 William Pease
 Board President

I hereby certify that the foregoing Resolution was duly adopted by the Board of Directors of the Town of Discovery Bay Community Services District at a regularly scheduled meeting, held on July 20, 2016, by the following vote of the Board:

AYES:
 NOES:
 ABSENT:
 ABSTAIN:

 Catherine Kutsuris
 Board Secretary

Avg Bill Increase (1 Inch Meter, 15 ccf/mo)

TABLE ES-1 15% 15% 12% 12% 12%

PROPOSED WATER RATE INCREASES

WATER Residential Unmetered	Current		Proposed FY 2016/17		Proposed FY 2017/18		Proposed FY 2018/19		Proposed FY 2019/20		Proposed FY 2020/21	
	Monthly (\$/month/DU)	Yearly (\$/year/DU)										
Parcel Size (Square Fee/DU)												
Condos w/irrigation	\$32.86	\$394.28	\$36.55	\$438.60								
Condos w/o irrigation	\$21.52	\$258.18	\$23.91	\$286.92								
Under 5,000	\$32.86	\$394.28	\$36.55	\$438.60								
5,000 - 10,000	\$41.56	\$498.66	\$46.03	\$552.36								
10,001 - 15,000	\$50.25	\$603.02	\$55.51	\$666.12								
Over 15,000,	\$50.25	\$603.02	\$55.51	\$666.12								
Vacant	\$14.67	\$176.00	\$14.67	\$176.00	\$14.67	\$176.00	\$14.67	\$176.00	\$14.67	\$176.00	\$14.67	\$176.00
Plus Each Additional 1,000	\$2.90	\$34.80	\$3.21	\$38.55								
WATER All Metered [1]	Monthly (\$/month)	Use (\$/ccf)										
Nonirrigation Account Charge:												
5/8 Inch Meter	\$9.98		\$13.85		\$16.20		\$18.02		\$20.06		\$22.35	
1 Inch Meter	\$9.98		\$13.85		\$16.20		\$18.02		\$20.06		\$22.35	
1 1/2 Inch Meter	\$19.98		\$26.73		\$31.43		\$35.07		\$39.16		\$43.74	
2 Inch Meter	\$31.96		\$42.15		\$49.68		\$55.50		\$62.04		\$69.37	
3 Inch Meter	\$63.91		\$83.29		\$98.34		\$109.99		\$123.06		\$137.72	
4 Inch Meter	\$99.86		\$129.58		\$153.09		\$171.30		\$191.71		\$214.63	
6 Inch Meter	\$199.72		\$258.15		\$305.18		\$341.60		\$382.43		\$428.26	
Irrigation Account Charge:												
5/8" Inch Meter	\$3.02		\$13.08		\$15.29		\$17.00		\$18.92		\$21.07	
1 Inch Meter	\$3.02		\$13.08		\$15.29		\$17.00		\$18.92		\$21.07	
1 1/2 Inch Meter	\$6.04		\$25.18		\$29.60		\$33.03		\$36.87		\$41.18	
2 Inch Meter	\$9.67		\$39.68		\$46.76		\$52.23		\$58.38		\$65.27	
3 Inch Meter	\$19.34		\$78.35		\$92.50		\$103.45		\$115.73		\$129.52	
4 Inch Meter	\$30.21		\$121.86		\$143.97		\$161.08		\$180.27		\$201.81	
6 Inch Meter	\$60.42		\$242.73		\$286.93		\$321.17		\$359.54		\$402.62	
Metered Usage Charge:												
All Usage		\$1.512		\$1.580		\$1.799		\$2.015		\$2.257		\$2.528
Newly Metered Customers Meter Install Fee (10-year payback)					\$9.00		\$9.00		\$9.00		\$9.00	

TABLE ES-1
PROPOSED WASTEWATER RATE INCREASES

WASTEWATER Residential Unmetered	Current FY 2015/16		Proposed FY 2016/17		Proposed FY 2017/18		Proposed FY 2018/19		Proposed FY 2019/20		Proposed FY 2020/21	
	Monthly (\$/month)	Yearly (\$/year)	Monthly (\$/month)	Yearly (\$/year)	Monthly (\$/month)	Yearly (\$/year)	Monthly (\$/month)	Yearly (\$/year)	Monthly (\$/month)	Yearly (\$/year)	Monthly (\$/month)	Yearly (\$/year)
Single Family - Each DU	\$61.95	\$743.36	\$68.76	\$825.13	\$76.32	\$915.89	\$79.38	\$952.53	\$82.55	\$990.63	\$85.85	\$1,030.26
Multiple Family/Condos - Each DU	\$46.46	\$557.56	\$51.57	\$618.89	\$57.25	\$686.97	\$59.54	\$714.45	\$61.92	\$743.03	\$64.40	\$772.75
Vacant	\$18.67	\$224.00	\$18.67	\$224.00	\$18.67	\$224.00	\$18.67	\$224.00	\$18.67	\$224.00	\$18.67	\$224.00
Nonresidential Metered	Use (\$/ccf)		Use (\$/ccf)		Use (\$/ccf)		Use (\$/ccf)		Use (\$/ccf)		Use (\$/ccf)	
Business/Government/Clubs	\$4.303		\$4.776		\$5.302		\$5.514		\$5.734		\$5.964	
Restaurants/Bars/Dining Facilities	\$12.601		\$13.987		\$15.526		\$16.147		\$18.793		\$17.464	
Schools	\$3.873		\$4.299		\$4.772		\$4.963		\$5.161		\$5.368	
Other Domestic Strength Users	\$4.303		\$4.776		\$5.302		\$5.514		\$5.734		\$5.964	

DU = Dwelling Unit
ccf = 100 cubic feet = 748 gallons

NOTICE OF EXEMPTION

To: County Clerk
County of Contra Costa
555 Escobar Street
P.O. Box 350
Martinez, CA 94553

From: Town of Discovery Bay Community
Services District (CSD)
1800 Willow Lake Road
Discovery Bay, CA 94505

Project Title: Usage Rate Increase for Water & Wastewater Services for the FY 2016/17 through FY 2020/21 Tax Roll Year

Project Location – Specific: Service Area of the Town of Discovery Bay CSD

Project Location – City: Town of Discovery Bay CSD **Project Location – County:** Contra Costa

Description of Nature, Purpose, and Beneficiaries of Project:

Increase of water and wastewater usage fees & charges for all users within the Town of Discovery Bay CSD service area

Name of Public Agency Approving Project: Town of Discovery Bay CSD

Name of Person or Agency Carrying Out Project: Town of Discovery Bay CSD

Exempt Status: *(check one)*

- Ministerial (Sec. 21080(b) (1); 15268);
- Declared Emergency (Sec. 21080(b)(3); 15269(a));
- Emergency Project (Sec. 21080(b)(4); 15269(b)(c));
- Categorical Exemption. State type and section number:
- Statutory Exemptions. State code number: California Code of Regulations § 15273

Reasons why project is exempt: “Statutorily exempt; for purposes set forth in 14 CCR Sections 15273 (a) (1) through (4), and not for system expansion.”

Lead Agency

Contact Person: Catherine Kutsuris **Area Code/Telephone/Extension:** (925) 634-1131

If filed by applicant:

1. Attach certified document of exemption finding.
2. Has a Notice of Exemption been filed by the public agency approving the project? Yes No

Signature: _____

Date: 7/20/2016 Title: Interim General Manager

- Signed by Lead Agency
- Signed by Applicant

Date received for filing at OPR:

TownOfDiscoveryBay CSD
Received

JUL 14 2016

Alexander & Tatyana Kvastel
2339 Winchester Loop
Discovery Bay, CA 94505
July 13, 2016

Town of Discovery Bay CSD
1800 Willow Lake Road
Discovery Bay, CA 94505

We protest proposed water rate increase.

Alexander Kvastel
Tatyana Kvastel
Alexander & Tatyana Kvastel

TownOfDiscoveryBay CSD
Received

JUN 21 2016

JAMES & JOYCE MUSIELAK

2488 SANTA BARBARA CT

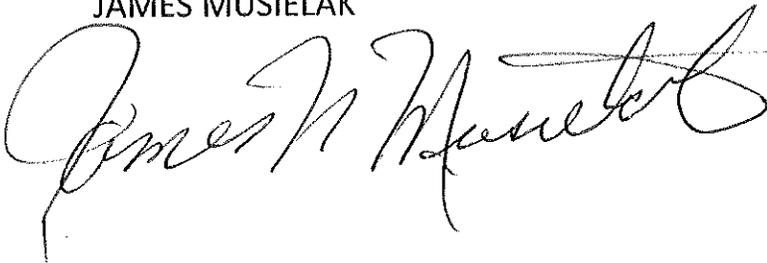
DISCOVERY BAY CA 94505

BOARD MEMBERS

WE ARE WRITING TO PROTEST THE NEW WATER AND SEWER RATE CHANGES.

THIS IS TO NOTIFY YOU WE ARE AGAINST THE RATE INCREASE IN DISCOVERY BAY

JAMES MUSIELAK

A handwritten signature in black ink, appearing to read "James Musielak". The signature is written in a cursive style with a large initial "J" and a long horizontal stroke at the end.

JOYCE MUSIELAK

A handwritten signature in black ink, appearing to read "Joyce Musielak". The signature is written in a cursive style with a large initial "J" and a long horizontal stroke at the end.



Town of Discovery Bay

"A Community Services District"

AGENDA REPORT

Meeting Date

July 20, 2016

Prepared By: Dina Breitstein, Finance Manager
Submitted By: Catherine Kutsuris, Interim General Manager

Agenda Title

Public Hearing to Consider Town of Discovery Bay CSD Ravenswood Landscape Zone #9, Park, Lighting and Open Space Improvements District Assessments Report for the Fiscal Year 2016-2017; continue Collection of Assessments on County Tax Roll and adoption of Resolution No. 2016-11, allowing for a 3.1% assessment increase.

Recommended Action

Approve and adopt Resolution 2016-11 Confirming the Engineers Report and Ordering the Levy and Collection of Charges for the Annual Assessments for Ravenswood Improvement District Assessments within the Town of Discovery Bay Community Services District for the Fiscal Year 2016-2017; continue Collection of Assessments on County Tax Roll for Ravenswood Landscape, Park, Lighting and Open Space Improvements District.

Executive Summary

As part of the annual assessment process for the Ravenswood Improvement District; DB L&L Zone #9, the Board approved and adopted Resolution No. 2016-05 which directed HERWIT Engineering to prepare the 2016-17 assessment report. On July 6, 2016 the Board approved Resolution 2016-09 which adopted the Engineers Report submitted by HERWIT. In that report, it was determined that based on operating costs (as shown on the Adopted Operating and Capital Budget for Discovery Bay Lighting and Landscape Zone 9) the per parcel assessment should be set at \$625.78 for FY 2016-17; with a maximum allowable assessment of \$625.78. The final assessment for the FY 2015-16 was \$606.94.

In order to levy and collect the annual assessment, the Board must approve and adopt the attached resolution. Adoption of Resolution 2016-11 imposes the assessment on real property (a 3.1% increase) within DB L&L #9 and also approves the filing of the attached Notice of Exemption.

Fiscal Impact:

Amount Requested -
Sufficient Budgeted Funds Available?: Yes
Zone # 9, 2479 Category: Operating

Previous Relevant Board Actions for This Item

Approval and Adoption of Resolution 2016-05 Directing HERWIT Engineering to prepare annual assessment report for the Ravenswood Improvement District (DB L&L #9) – April 6, 2016
Approval and Adoption of the Final Operating and Capital Improvement Budget for Discovery Bay Landscape and Lighting Zone #9 – June 15, 2016
Approval and Adoption of Resolution 2016-09 accepting HERWIT Engineers Report – July 6, 2016

Attachments

Resolution 2016-11, Confirming the Report and Ordering the Levy and Collection of Charges
Final Assessment Engineer's Report 2016-2017, DB L&L Zone #9
Notice of Exemption

AGENDA ITEM: F-2



**TOWN OF DISCOVERY BAY
COMMUNITY SERVICES DISTRICT**

RESOLUTION 2016-11

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE TOWN OF DISCOVERY BAY,
A CALIFORNIA COMMUNITY SERVICES DISTRICT,
CONFIRMING THE REPORT AND ORDERING THE LEVY AND COLLECTION OF
CHARGES FOR THE ANNUAL ASSESSMENTS FOR RAVENSWOOD IMPROVEMENT DISTRICT
ASSESSMENTS WITHIN THE TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT
FOR THE FISCAL YEAR 2016-2017**

WHEREAS, all property owners in Ravenswood approved the formation of a landscaping, parks, lighting and open space assessment district pursuant to California Streets and Highways Code sections 22500 and following; and

WHEREAS, the formation of such district, and the levy of assessment on the real property therein was approved by the landowners in such district in accordance with California Constitution Article XIIIID (Proposition 218);

WHEREAS, the proposed assessments for the 2016-2017 fiscal year are within the limits approved by the landowners in accordance with Proposition 218;

WHEREAS, the assessments against the real property in each assessment area are not levied with regard to property values and these assessments are for the purpose of paying for the operation and maintenance of landscaping, parks, lighting and open space installed in such district; and

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT AS FOLLOWS:

1. The above recitals are true and correct.
2. The report, diagram and assessment set forth in that report ("Report") prepared by HERWIT Engineers for the Ravenswood Improvement for fiscal year 2016-2017 is adopted and confirmed.
3. The \$625.78 assessment specified in the Report for the Ravenswood District, for fiscal year 2016-2017 is hereby imposed on the real property within such district for fiscal year 2016-2017.
4. The Board of Directors of the Town of Discovery Bay Community Services District orders the levy and collection of such assessments in accordance with California Streets and Highway Code sections 22645 and 22646.
5. The Secretary of the Board of Directors is authorized and directed to file the diagram and assessments, and any other necessary documents, with the Auditor-Controller of Contra Costa County in accordance with California Streets and Highway Code section 22641.

6. The President of the Board of Directors or the General Manager is authorized and directed to execute any documents necessary to carry out the intent of this Resolution.
7. The Secretary of the Board of Directors is authorized and directed to file a Notice of Exemption pursuant to Public Resources Code section 21080 (b)(8) and Title 14 California Code of Regulations section 15062.

PASSED, APPROVED AND ADOPTED THIS 20th DAY OF JULY, 2016.

William Pease
Board President

I hereby certify that the foregoing Resolution was duly adopted by the Board of Directors of the Town of Discovery Bay Community Services District at a regularly scheduled meeting, held on July 20, 2016, by the following vote of the Board:

AYES:
NOES:
ABSENT:
ABSTAIN:

Catherine Kutsuris
Interim Board Secretary

**FINAL ASSESSMENT ENGINEER'S
REPORT**

Prepared for the

**TOWN OF DISCOVERY BAY
COMMUNITY SERVICES DISTRICT**

**Landscaping, Park, Lighting and Open-Space
Improvements District DB L&L #9**

For Fiscal Year 2016-2017

**Prepared by
HERWIT Engineering**

**6200 Center Street, Suite 310
Clayton, California 94517
(925) 672-6599**

JULY 2016

Town of Discovery Bay Community Services District

Director and President

Bill Pease

Director and Vice President

Robert Leete

Director

Kevin Graves

Director

Mark Simon

Director

Chris Steele

Interim General Manager

Catherine Kutsuris

Finance Manager

Dina Breitstein

Parks & Landscape Manager

Brian Miller

District's Attorney

Neumiller & Beardslee

Assessment Engineer

HERWIT Engineering

Date: July 2016

**Assessment Engineers Report
For
Landscape, Park, Lighting and Open-Space District DB L&L #9, Zone #1
Subdivision 8710 (Ravenswood)**

Pursuant to Governmental Code 61710 and procedures of the Landscaping and Lighting District Act of 1972, the Town of Discovery Bay Community Services District (CSD) is responsible for the Landscape, Park, Lighting and Open-Space District DB L&L #9 submits this "Assessment Engineers Report" for the 2016-2017 year, which consists of five (5) parts as follows.

PART A. Plans and Specifications

This part describes the improvements in this District. The plans, drawings and specifications are on file in the Town of Discovery Bay CSD District Office. A listing of these documents and drawings are outlined in the original Assessment Engineers Report approved in 2006.

PART B. Estimate of Cost

This part contains an estimate of the cost of proposed improvements, including incidental costs and expenses in connection therewith, is as forth on the lists, which are on file in the Town of Discovery Bay CSD District office.

PART C. Method of Apportionment of Assessment

This part contains the method by which the undersigned engineering firm has determined the amount proposed to be assigned against each parcel, based upon parcel classification of land within this District, in proportion to the estimated benefits to be received. This listing is also on file in the Town of Discovery Bay CSD District office.

PART D. District Diagram of Assessment

This part by reference of a diagram shows the parcel lot numbers that are within this District.

PART E. Property Owner List & Assessment Roll

The listing of Assessed parcels and their owners are on file in the Town of Discovery Bay CSD District office.

Engineers Assessment Report for 2015-2016 year

During this time period the DB L&L #9, Zone #1 District financial report shows estimated end of year totals as follows:

\$ 128,076 Annual assessments & investment revenue was received

\$ 118,744 Annual expenses grounds maintenance, capital improvements, and administrative expenses.

A copy of the income and expenses is attached to this report.

\$ 165,195 Fund total after 2015-2016 annual expenses.

Note: The expenses were higher for the 2015-2016 fiscal year than the previous fiscal year due to increases in CIP expenditures. The expenses for the 2015-2016 fiscal year were less than the assessment and revenue collected, resulting in an increase in the District's reserve account.

Current Assessment

The 2015-2016 fiscal year assessment per parcel based on the engineer's formula defined in the Assessment Engineers Report adopted in 2006 is \$606.94 per parcel. This is greater than the initial year assessment as defined in the Assessment Engineers Report due to increases in maintenance and utility costs, and to rebuild the reserve account balance which had dropped significantly due to large capital improvement projects.

Inflation Adjustment to Maximum Assessment

The maximum assessment defined in the Assessment Engineers Report adopted in 2006 is \$501 per parcel based upon build out of the facilities and maintenance of the storm water basins. As specified in the Assessment Engineers Report, the maximum assessment is escalated annually by the consumer price index for San Francisco-Oakland-San Jose. At the time of preparation and adoption of the Assessment Engineers Report, the CPI index as published by the Bureau of Labor Statistics (BLS) for the Consolidated Metropolitan Statistical Area (CMSA) covering San Francisco – Oakland – San Jose reported for April 2006 was 208.9. The base year for the index is an average of 1982, 1983, and 1984 (hence 1982-1984=100). On April 2016, the same CPI index is reported as 264.56. Based upon the change in the CPI, the new maximum assessment allowed for the 2016-2017 fiscal year is \$634.48.

Calculation of Maximum Reserve Account Balance

As stated in the adopted Assessment Engineers Report, the total funds in the reserve account are limited to 200% of the total funds collected by the District's not to exceed annual assessment. The new maximum not to exceed annual assessment allowable for the 2016-2017 fiscal year is \$ 634.48. This assessment is equally assessed to 203 parcels for an annual total of \$128,799.44. Therefore, the maximum Reserve Account Balance is \$ 257,598.88. After the reserve account has accrued to the maximum amount, any money received by the District in excess of annual maintenance and administrative costs will be returned to the property owner in the form of a reduced assessment in the following fiscal year.

New Assessment for 2016-2017 Fiscal Year

The District will incur normal expenses for the maintenance of the landscape District this year. The District will also incur minimal charges for capital improvements construction projects this fiscal year. The estimated budget for 2016-2017 is \$ 127,034. This equates to \$ 625.78 per parcel for all 203 parcels, which is less than the maximum allowable assessment of \$ 634.48 per parcel, or \$ 128,799.44 maximum assessment.

Based on this report, the assessment for 2016-2017 tax year should be \$ 625.78 to maintain the balance in the reserve fund. The assessment for the 2016-2017 fiscal year is then \$ 625.78 per parcel applied equally to all 203 parcels as defined in the adopted Assessment Engineers Report.

NOTICE OF EXEMPTION

To: County Clerk
County of Contra Costa
555 Escobar Street
P.O. Box 350
Martinez, CA 94553

From: Town of Discovery Bay Community
Services District (CSD)
1800 Willow Lake Road
Discovery Bay, CA 94505

Project Title: Ravenswood Improvement District Annual Assessment

Project Location – Specific: Ravenswood Subdivision - Northwest quarter of Section 26, Township 1 North, Range 3 East, Mount Diablo Meridian as recorded in Book 458 of Maps, Pages 1-15, Contra Costa County Records.

Project Location – City: Town of Discovery Bay CSD **Project Location – County:** Contra Costa

Description of Nature, Purpose, and Beneficiaries of Project:

Levy of the annual assessment for fiscal year 2016-17 for the landscaping, park, lighting and open space district, known as Ravenswood Improvement District - DB L&L Zone #9, for the purpose of providing for the operation and maintenance of landscaping, parks, street lights and open space installed in the subdivision.

Name of Public Agency Approving Project: Town of Discovery Bay CSD

Name of Person or Agency Carrying Out Project: Town of Discovery Bay CSD

Exempt Status: *(check one)*

- Ministerial (Sec. 21080(b)(1); 15268);
- Declared Emergency (Sec. 21080(b)(3); 15269(a));
- Emergency Project (Sec. 21080(b)(4); 15269(b)(c));
- Categorical Exemption. State type and section number:
- Statutory Exemptions. State code number: Public Resource Code § 21080(b)(8); California Code of Regulations § 15273

Reasons why project is exempt: The formation of the assessment district and the levy of assessments is not designed to increase services or expand a system, but is for the purpose of meeting operating expenses, purchasing supplies, equipment and materials, meeting financial reserve needs, and obtaining funds necessary for repair and replacement within the Improvement District.

Lead Agency

Contact Person: Catherine Kutsuris **Area Code/Telephone/Extension:** (925) 634-1131

If filed by applicant:

1. Attach certified document of exemption finding.
2. Has a Notice of Exemption been filed by the public agency approving the project? Yes No

Signature: _____

Date: 7/20/16 Title: Interim General Manager

- Signed by Lead Agency
- Signed by Applicant

Date received for filing at OPR:



Town of Discovery Bay

"A Community Services District"

AGENDA REPORT

Meeting Date

July 20, 2016

Prepared By: Dina Breitstein, Finance Manager
Submitted By: Catherine Kutsuris, Interim General Manager

Agenda Title

Annual Discovery Bay Lighting and Landscape Zone #8 Appropriations Limit for FY 2016/17 – Adopt and Approve Resolution No. 2016-12

Recommended Action

Adoption of Resolution No. 2016-12, establishing the Discovery Bay Lighting and Landscape Zone #8 2016/17 Appropriation Limit

Executive Summary

The Discovery Bay Lighting and Landscape Zone #8 (Zone 8) receives annual funding through a portion of property taxes collected within its boundaries. Each year, the Town of Discovery Bay Community Services District (District) is responsible for identifying its appropriation limit in accordance Article XIII B of the California Constitution, known as the Proposition 4 or the GANN limit.

Staff has collected the necessary information from the California Department of Finance and has calculated the Appropriations Limit for Zone 8 for FY 2016/17 to be \$592,397.12. The calculation is based on last year's appropriation limit and factors in the change of California's per capita personal income and local population percentage change.

Staff requests that the Board review and adopt Resolution No. 2016-12, which establishes the FY 2016/2017 Appropriation's Limit for Discovery Bay Lighting and Landscape Zone #8 at \$592,397.12.

Fiscal Impact:

None

Previous Relevant Board Actions for This Item

None

Attachments

Resolution No. 2016-12
(DB Zone 8) Appropriation Limit Calculation Worksheet
Department of Finance – Price and Population Information (May 2016)

AGENDA ITEM: F-3



**TOWN OF DISCOVERY BAY
COMMUNITY SERVICES DISTRICT**

RESOLUTION 2016-12

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE TOWN OF DISCOVERY BAY,
A CALIFORNIA COMMUNITY SERVICES DISTRICT,
ANNUAL DISCOVERY BAY LIGHTING AND LANDSCAPE ZONE #8
APPROPRIATIONS LIMIT FOR FY 2016/17**

WHEREAS, Section 7910 of the Government Code requires that each year the governing body of each local jurisdiction establish an appropriations limit for each jurisdiction for the following fiscal year pursuant to Article XIII B of the California Constitution; and

WHEREAS, Article XIII B of the California Constitution provides for the establishing of an appropriations limit based on the change in the cost of living shall be either the percentage change in California per capita personal income from the preceding year, or the percentage change in the local assessment roll from the preceding year for the jurisdiction due to the addition of local non-residential new construction; and

WHEREAS, the percentage change in California per capita personal income is available for the unincorporated areas of Contra Costa County, therefore, the Town of Discovery Bay Community Services District staff has calculated the Appropriation Limit using the change factors as permitted by Article XIII B of the California Constitution; and

WHEREAS, the calculated Appropriation Limit for the Discovery Bay Lighting and Landscape Zone 8 for the FY 2016-2017 is \$592,397.12 as reflected in Attachment A.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. The Board of Directors selects the percentage change in California per capita personal income from the preceding year as a factor to be used in calculating appropriations limits; and

SECTION 2. The Board of Directors selects the change of population within the unincorporated area of Contra Costa County as the change of population factor to be used in establishing the appropriation limit; and

SECTION 3. The appropriations limit for the District for FY 2016-17 for the Discovery Bay Lighting and Landscape Zone 8 is hereby established at \$592,397.12; and

SECTION 4. The Board Secretary shall certify the adoption of this Resolution.

PASSED, APPROVED AND ADOPTED THIS 20th DAY OF JULY, 2016.

William Pease
Board President

I hereby certify that the foregoing Resolution was duly adopted by the Board of Directors of the Town of Discovery Bay Community Services District at a regularly scheduled meeting, held on July 20, 2016, by the following vote of the Board:

- AYES:
- NOES:
- ABSENT:
- ABSTAIN:

Catherine Kutsuris
Interim Board Secretary

Discovery Bay Lighting Landscape Zone 8
Appropriations Limit Calculation

	Historical Limit (With Permitted Increases)	Per Capita Personal Income Change	Per Capita Ratio*	Population Change	Population Ratio*	Fiscal Year Factor
Year 04/05	\$ 352,279.00					
Year 05/06	\$ 379,708.29	5.26	1.0526	2.4	1.024	1.0778624
Year 06/07	\$ 402,876.48	3.96	1.0396	2.06	1.0206	1.06101576
Year 07/08	\$ 431,200.71	4.42	1.0442	2.5	1.025	1.070305
Year 08/09	\$ 461,481.34	4.29	1.0429	2.62	1.0262	1.07022398
Year 09/10	\$ 469,171.69	0.62	1.0062	1.04	1.0104	1.01666448
Year 10/11	\$ 458,900.84	-2.54	0.9746	0.36	1.0036	0.97810856
Year 11/12	\$ 474,747.11	2.51	1.0251	0.92	1.0092	1.03453092
Year 12/13	\$ 497,620.79	3.77	1.0377	1.01	1.0101	1.04818077
Year 13/14	\$ 525,557.54	5.12	1.0512	0.47	1.0047	1.05614064
Year 14/15	\$ 530,903.12	-0.23	0.9977	1.25	1.0125	1.01017125
Year 15/16	\$ 556,915.93	3.82	1.0382	1.04	1.0104	1.04899728
Year 16/17	\$ 592,397.12	5.37	1.0537	0.95	1.0095	1.06371015

* Based on factors provided in the annual
Price and Population Information letter from
the California Department of Finance.
Dated May 2016



May 2016

Dear Fiscal Officer:

Subject: Price Factor and Population Information

Appropriations Limit

The California Revenue and Taxation Code, section 2227, requires the Department of Finance (Finance) to transmit an estimate of the percentage change in population to local governments. Each local jurisdiction must use their percentage change in population factor for January 1, 2016, in conjunction with a change in the cost of living, or price factor, to calculate their appropriations limit for fiscal year 2016-17. Attachment A provides the change in California's per capita personal income and an example for utilizing the price factor and population percentage change factor to calculate the 2016-17 appropriations limit. Attachment B provides the city and unincorporated county population percentage change. Attachment C provides the population percentage change for counties and their summed incorporated areas. The population percentage change data excludes federal and state institutionalized populations and military populations.

Population Percent Change for Special Districts

Some special districts must establish an annual appropriations limit. The Revenue and Taxation Code, section 2228 provides additional information regarding the appropriations limit. Article XIII B, section 9(C) of the California Constitution exempts certain special districts from the appropriations limit calculation mandate. The Code and the California Constitution can be accessed at the following website: <http://leginfo.legislature.ca.gov/faces/codes.xhtml>.

Special districts required by law to calculate their appropriations limit must present the calculation as part of their annual audit. Any questions special districts have on this requirement should be directed to their county, district legal counsel, or the law itself. No state agency reviews the local appropriations limits.

Population Certification

The population certification program applies only to cities and counties. Revenue and Taxation Code section 11005.6 mandates Finance to automatically certify any population estimate that exceeds the current certified population with the State Controller's Office. **Finance will certify the higher estimate to the State Controller by June 1, 2016.**

Please Note: Prior year's city population estimates may be revised.

If you have any questions regarding this data, please contact the Demographic Research Unit at (916) 323-4086.

MICHAEL COHEN
Director
By:

AMY COSTA
Chief Deputy Director

Attachment

- A. **Price Factor:** Article XIII B specifies that local jurisdictions select their cost of living factor to compute their appropriation limit by a vote of their governing body. The cost of living factor provided here is per capita personal income. If the percentage change in per capita personal income is selected, the percentage change to be used in setting the fiscal year 2016-17 appropriation limit is:

Per Capita Personal Income

Fiscal Year (FY)	Percentage change over prior year
2016-17	5.37

- B. Following is an example using sample population change and the change in California per capita personal income as growth factors in computing a 2016-17 appropriation limit.

2016-17:

Per Capita Cost of Living Change = 5.37 percent
Population Change = 0.90 percent

Per Capita Cost of Living converted to a ratio: $\frac{5.37 + 100}{100} = 1.0537$

Population converted to a ratio: $\frac{0.90 + 100}{100} = 1.0090$

Calculation of factor for FY 2016-17: $1.0537 \times 1.0090 = 1.0632$

Fiscal Year 2016-17

Attachment B
Annual Percent Change in Population Minus Exclusions*
January 1, 2015 to January 1, 2016 and Total Population, January 1, 2016

County City	Percent Change 2015-2016	--- Population Minus Exclusions ---		Total Population
		1-1-15	1-1-16	1-1-2016
Contra Costa				
Antioch	0.89	111,973	112,968	112,968
Brentwood	3.00	57,072	58,784	58,784
Clayton	0.45	11,159	11,209	11,209
Concord	1.28	128,063	129,707	129,707
Danville	0.88	42,491	42,865	42,865
El Cerrito	1.02	24,132	24,378	24,378
Hercules	0.87	24,578	24,791	24,791
Lafayette	0.78	24,732	24,924	24,924
Martinez	0.62	36,828	37,057	37,057
Moraga	0.48	16,434	16,513	16,513
Oakley	1.34	39,609	40,141	40,141
Orinda	0.92	18,578	18,749	18,749
Pinole	0.42	18,660	18,739	18,739
Pittsburg	1.04	67,119	67,817	67,817
Pleasant Hill	0.47	33,918	34,077	34,077
Richmond	0.74	109,568	110,378	110,378
San Pablo	1.09	30,498	30,829	30,829
San Ramon	1.15	77,470	78,363	78,363
Walnut Creek	1.99	68,652	70,018	70,018
Unincorporated	0.95	169,422	171,038	171,122
County Total	1.12	1,110,956	1,123,345	1,123,429

*Exclusions include residents on federal military installations and group quarters residents in state mental institutions, state and federal correctional institutions and veteran homes.



Town of Discovery Bay

"A Community Services District"

AGENDA REPORT

Meeting Date

July 20, 2016

Prepared By: Carol McCool, Administrative Assistant, Board Clerk

Submitted By: Catherine Kutsuris, Interim General Manager

Agenda Title

Consider approval of Board Member attendance to the Conference of the California Special District Association (CSDA) in San Diego, October 10th through 13th.

Recommended Action

Authorize Members of the Board of Directors attendance at the Annual California Special District Association (CSDA) Conference located in San Diego, October 10th through the 13th.

Executive Summary

This year's Annual CSDA Conference is taking place in San Diego, California from October 10, 2016 to October 13, 2016. The Annual CSDA Conference brings exhibitors, Board Members and General Managers from across California together in a collaborative and educational environment intended to become better informed of issues and trends facing Special Districts.

Pursuant to Government Code §61047(e) (5), the Board must previously authorize a Board member's presence at a training program. The Board Member must also deliver a written report at the next available meeting concerning the training session(s) attended. Pursuant to this section, Board members are permitted a stipend for attending this conference.

Listed below are the cost for registration, golf tournament, pre-conference tour, hotel and mileage:

Registration – Early Bird (before September 9, 2016) - \$580

Registration – After September 9, 2016 - \$630

Golf Tournament – Monday October 10, 2016 - \$95

Pre-Conference Tour – Monday October 10, 2016 - \$35

Hotel – Sheraton San Diego Hotel and Marina

- Per night with tax - \$179
- 4 nights with tax - \$716.77

Southwest Flights round trip with tax - \$245.00 (approximately)

Per Board Member the total if attending the Conference Monday through Thursday (Registration, Hotel, Golf Tournament, Pre-Conference Tour, and Flight) is approximately \$1672.00 plus meals and incidental expenses.

This action authorizes members of the Board of Directors attendance at the CSDA Annual Conference.

"Continued to the next page"

Fiscal Impact:

Amount Requested Per Board Member

Sufficient Budgeted Funds Available?: (If no, see attached fiscal analysis)

Prog/Fund # Category: Pers. Optg. Cap. -or- CIP# Fund#

Previous Relevant Board Actions for This Item

N/A

Attachments

CSDA-Conference-Brochure 2016

AGENDA ITEM: F-4



'16 CSDA ANNUAL
CONFERENCE

San Diego • Oct. 10-13



set sail
to San Diego this fall

ATTENDEE REGISTRATION

CSDA Annual Conference and Exhibitor Showcase

The leadership conference for special districts.



**California Special
Districts Association**

Districts Stronger Together

Agenda Item F-4



“The CSDA Conference is the most valuable annual conference of all the ones we attend. If you are a special district, this is the only place to learn everything you need to know that relates to special district governance, trends, issues, and legislation. Kudos to CSDA for a job well done.”

Kimberly Thorner, SDA
General Manager



“The annual conference always gives me something I can use in my role as a board member.”

Michael Seaman
Director

set sail

to an ocean of knowledge

The CSDA Annual Conference & Exhibitor Showcase is the one conference special district leaders can't miss! Don't be left on shore - this Leader-Ship is about to set sail!

Join 800-plus special district professionals and industry experts for a three day, must-attend education and networking extravaganza. Participate in inspiring and motivating keynote sessions. Walk away with strategies, new connections, and innovative ideas to move your district forward.

SDRMA
Credit Incentive Points



Special District Risk Management Authority (SDRMA) is committed to establishing a strategic partnership with our members to provide maximum protection, help control losses and positively impact the overall cost of property/liability and workers' compensation coverage through the Credit Incentive Program. Credit incentive points can be earned based on an agency's attendance at the CSDA Annual Conference & Exhibitor Showcase reducing SDRMA member's annual contribution amount.

Agenda Item F-4

top 10 *reasons to attend*

- CSDA'S ANNUAL CONFERENCE HAS A PROVEN RECORD OF PROVIDING SOME OF THE BEST EDUCATION OPPORTUNITIES FOR DISTRICT STAFF AND ELECTED OFFICIALS.
- INTERACT WITH INDUSTRY EXPERTS.
- TIMELY AND RELEVANT SESSION CONTENT.
- TOOLS, TECHNOLOGIES, AND PROCESSES YOU CAN USE IN YOUR DISTRICT.
- BE THE FIRST TO HEAR ABOUT SPECIAL DISTRICT TRENDS.
- GAIN KNOWLEDGE AND INSPIRATION FROM NATIONALLY RECOGNIZED SPEAKERS.
- ATTEND SPECIALIZED WORKSHOPS AND SESSIONS DESIGNED TO ADDRESS YOUR NEEDS.
- MEET ONE-ON-ONE WITH INDUSTRY SUPPLIERS WHO UNDERSTAND YOUR NEEDS.
- NETWORK WITH OTHER ATTENDEES AND INDUSTRY SUPPLIERS.
- MAKE NEW CONTACTS AND MAINTAIN KEY RELATIONSHIPS.
- EARN CREDIT INCENTIVE POINTS FROM THE SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY (SDRMA).



who should attend?

- BOARD MEMBERS – DIRECTORS AND TRUSTEES
- GENERAL MANAGERS
- FIRE/POLICE CHIEF
- DEPARTMENT MANAGERS AND SUPERVISORS
- ADMINISTRATIVE SUPPORT STAFF
- FINANCE MANAGERS
- BOARD SECRETARIES
- LEGAL COUNSEL
- CONSULTANTS
- SUPPLIERS
- OTHER DISTRICT SUPPORT STAFF

Monday, October 10

pre-conference

Workshops, golf tournament, tours, and more!

Pre-conference Workshops

9:00 a.m. – 3:00 p.m.

SPECIAL DISTRICT LEADERSHIP ACADEMY MODULE 1: GOVERNANCE FOUNDATIONS - Earn SDRMA CIPs

\$225 Member, \$340 Non-member

(pre-registration/payment required)

As the core curriculum of CSDA's Special District Leadership Academy, this workshop serves as the "foundation" for the series on effective governance of special districts. It is specifically designed for special district board members and meets the requirement for six hours of governance training for Special District Leadership Foundation programs.

12:00 – 3:45 p.m.

COMMUNICATION STRATEGIES FOR BOARD MEMBERS AND GENERAL MANAGERS

BHI Management Consulting

\$150 Member, \$225 Non-member

(pre-registration/payment required)

Communication is the fluid of any organization. This workshop is critical for those districts that know they have organizational challenges and those who know enough to believe that good communication is an absolute best practice. It will deal with the most commonly overlooked, complicated, and difficult areas of public agency communications.

Golf tournament & Pre-conference Tours

10:00 a.m. - TEE TIMES BEGIN

CSDA Annual Golf Tournament
CORONADO MUNICIPAL GOLF COURSE

\$95 includes golf cart, lunch, and prizes!

(pre-registration/payment required)

Join special district elected officials, staff, and business affiliates at this optional event. Great golf skills are not necessary!

Transportation to/from on your own.



12:00 – 3:00 p.m.

Pre-Conference Tour

CARLSBAD DESALINATION PLANT

\$35 per person includes light lunch, tour, and transportation to/from the hotel.

Limited to 45 attendees. Register early!

After three years of construction, the San Diego County Water Authority and Poseidon Water dedicated the Claude "Bud" Lewis

Carlsbad Desalination Plant on Dec. 14, 2015. The

plant is producing approximately 50 million gallons

per day of locally controlled water for San Diego County, helping to minimize the region's vulnerability to statewide drought conditions. It is part of a \$1 billion project that includes the nation's largest and most technologically advanced and energy-efficient treatment plant, a 10-mile large-diameter pipeline and improvements to Water Authority facilities for distributing desalinated seawater throughout San Diego County. The plant meets about seven to 10 percent of the region's water demand – about one third of all the water generated in the county.

TOUR PARTICIPANTS TAKE NOTE: Please wear long pants (no capris) and closed-toe, flat, sturdy shoes (no heels allowed) and bring a government issued photo identification. Due to security at the site, you will not be allowed to tour the facility without proper clothing and identification. Personal protective equipment (hard hats, vests and safety glasses) will be provided at the plant.



SDA Exam & District NetWorks Meetings



2:00 – 4:00 p.m.

**Special District Administrator (SDA) Exam
Special District Leadership Foundation**

Optional – must be scheduled prior to conference.

4:00 – 5:00 p.m.

DISTRICT NETWORKS MEETINGS

Designed by local special district leaders to connect and interact with other leaders from throughout California; come take part in one of our six District NetWorks meetings:

- Northern Network
- Sierra Network
- Bay Area Network
- Coastal Network
- Central Network
- Southern Network

You're not adrift...no matter where you are in the state, you belong to a district network. Share challenges, solutions, and opportunities with your neighboring districts. Learn how you can take part in CSDA's grassroots advocacy and public outreach efforts. Take this opportunity to meet your public affairs field coordinator, connect with special district leaders, and grow your network!

While there are plenty of opportunities for relaxation in San Diego, we know you've come for business, and San Diego provides the perfect setting to be inspired. As the only U.S. city to be named a "World Smart City" by National Geographic Channel, San Diego is a destination where attendees can achieve the extraordinary. And, the San Diego/Tijuana region was just recognized by National Geographic Traveler Magazine as one of only 20 "Best of the World" destinations for 2016!



The seven unique meeting regions are just minutes from San Diego International Airport, historic and world-renowned national parks and attractions like Old Town San Diego, Cabrillo National Monument, SeaWorld San Diego, San Diego Zoo and San Diego Zoo Safari Park, LEGOLAND California Resort and the USS Midway Museum, to name a few.

Balboa Park, the nation's largest urban cultural park, is home to 17 museums and performing arts venues. From La Jolla to Mission Bay, to the beautiful inland mountain and desert regions, San Diego has something for everyone.



'16 CSDA ANNUAL CONFERENCE

KEYNOTE SPEAKERS



TUESDAY

9:00 – 10:45 a.m.

Opening Keynote Presentation: Ross Shafer

HOW TO STAY RELEVANT

Six-time Emmy Award winning comedian and author of 14 human resource training films

on customer service and leadership presents, "How to Stay Relevant." Staying relevant is different from being current. Being "current" is awareness. Learn more on page 8.



WEDNESDAY

9:00 – 10:45 a.m.

Keynote Presentation: Kai Knight

COMPOSING YOUR WORLD

Sponsored by SDRMA

Kai Knight has a diverse

background that has been fueled by creating and making music. He holds an engineering degree from Stanford University's d. school where he was introduced to the innovative culture of Silicon Valley. Learn more on page 11.



conference **begins** *meet the captain*

MONDAY, OCTOBER 10

5:30 – 7:30 p.m.

President's Reception with the Exhibitors

(ALL REGISTERED ATTENDEES WELCOME)

NAVIGATE YOUR WAY TO THE EXHIBIT HALL AND JOIN US AS WE NETWORK WITH BUSINESS PROFESSIONALS WHO PROVIDE ALL TYPES OF GOODS AND SERVICES TO SPECIAL DISTRICTS. ENJOY APPETIZERS AND REFRESHMENTS AS YOU MEET WITH CSDA BOARD PRESIDENT BILL NELSON, A.K.A. THE CAPTAIN, AND CSDA BOARD MEMBERS FROM AROUND THE STATE.



10.11 – 10.13 schedule.

Don't be left on shore - this Leader-Ship is about to set sail!

TUESDAY, OCTOBER 11

7:30 a.m. – 6:00 p.m.

Exhibitor Showcase Open

7:30 – 8:45 a.m.

Continental Breakfast with the Exhibitors (Raffle)



9:00 – 10:45 a.m.

**Opening Keynote Presentation:
Ross Shafer**

HOW TO STAY RELEVANT

Six-time Emmy Award winning comedian and author of 14 human resource training films on customer service and leadership presents,

“How to Stay Relevant.” Staying relevant is different from being current. Being “current” is awareness. Relevance is taking action to make sure you matter to your customers, your constituents, and your teams. Schafer has studied different industries to understand relevance and how organizations can heighten theirs and he'll share with you what he's learned.

11:00 a.m. – 12:00 p.m

**CSDA Finance Corporation Board and
Annual Meeting**

11:00 a.m. – 12:00 p.m

Breakout Sessions

REQUIRED ETHICS AB 1234 COMPLIANCE TRAINING (PT. 1)
Meyers Nave

This two-part training covers general ethics principles and state laws related to: personal financial gain by public servants; conflict of interest, bribery and nepotism; gift, travel and mass-mailing restrictions; honoraria; financial interest disclosure and competitive bidding; prohibitions on the use of public resources for personal or political purposes; the Brown Act open meeting law and more. *Must attend both sessions in order to receive your certificate.*

ARE YOU WEARING THE RIGHT HAT?

Successful special districts depend on both board members and staff to know which role they play and carrying that out for the benefit of the district as a whole. The presenter of this session has served as both a board member and staff member and can help you learn more about what role you should be playing in your district and how to avoid “crossing the line.”

ACCOUNTING AND FINANCIAL REPORTING UPDATE FOR SPECIAL DISTRICTS

Mann, Urrutia, Nelson CPAs & Associates LLP

The governmental accounting and financial reporting landscape gets more complex each year. This breakout will provide an update of GASB requirements and will provide relevant steps you can take to minimize their impacts on your district.

VOTING RIGHTS ACT: WHERE WE'VE BEEN AND WHERE WE'RE GOING

Cota Cole LLP

This breakout will delve into the most recent case law and legislative developments that are impacting how public agencies address voting rights issues. While some introductory explanation of the issue will be provided, the purpose of this presentation will be to provide a thorough analysis of more recent developments.

ETHICS, GIFTS IN THE PUBLIC SECTOR, AND FPPC REPORTING OBLIGATIONS

Atkinson, Andelson, Loya, Ruud & Romo

This breakout will cover ethics and conflict of interest requirements, including legal prohibitions and mandated disclosure obligations under California law. Public officials and employees who are required to file Form 700s will find it highly informational.

SPECIAL DISTRICT EXECUTIVE RECRUITMENT, EVALUATION, AND COMPENSATION

Hanson Bridgett LLP

Recruiting executives has become increasingly difficult for public agencies. Special districts are constantly filling positions at the executive level but are frequently hindered by limits on compensation, including limits imposed by PEPR. We will discuss how to approach executive compensation post-PEPR and how to avoid federal tax law traps along the way.

Agenda Item F-4

2016 PREVAILING WAGE REQUIREMENTS - NEW LAWS, NEW REGULATIONS

Contractor Compliance and Monitoring, Inc.

The implementation of SB854 still challenges public agencies. New updates in 2016 and pending legislation may affect which contractors an agency can use on public works projects. Join us for a review of SB 854 obligations and 2016 changes, and to discuss best practices for managing public works and maintenance work under these new rules.



12:00 – 1:45 p.m.

Lunch with the Exhibitors

Included in conference registration.

All conference attendees are welcome to attend lunch in the exhibit hall. Enjoy your lunch while taking time to learn more about our exhibitors and the valuable services they provide. From risk management, accounting, HR, legal, banking services and more, our exhibitors have some of the best of what you're looking for!

2:00 – 3:15 p.m.

Breakout Sessions

REQUIRED ETHICS AB1234 COMPLIANCE TRAINING (PT. 2)

Meyers Nave

This two-part training covers general ethics principles and state laws related to: personal financial gain by public servants; conflict of interest, bribery and nepotism; gift, travel and mass-mailing restrictions; honoraria; financial interest disclosure and competitive bidding; prohibitions on the use of public resources for personal or political purposes; the Political Reform Act; the Brown Act open meeting law and the California Public Records Act. *Must attend both sessions in order to receive your certificate.*

STRETCHING COMMUNITY DOLLARS TO BUILD FOR THE FUTURE

Institute for Local Government

Local elected officials have a unique and important role in the development, resilience, and success of their communities. Collaborations in the form of shared services, staffing, joint use, and planning yield results greater than any one single agency could achieve on its own. Learn from local leaders about best practices and lessons learned in building and furthering collaborations.

PAYING FOR CAPITAL PROJECTS: KEY CONSIDERATIONS FOR UTILIZING DEBT

CSDA Finance Corporation

If your district is considering using debt to fund all or part of a mission-critical capital project, knowing how to prepare to incur long-term indebtedness is critical. Join consultants from the CSDA Finance Corporation to learn about financing strategies and how to achieve the best terms and interest rates for your district.

THE BOARD AND POLICY MAKING - GETTING CLEAR ON THE ROLES

BHI Management Consulting

The prime role for the board is to make/ clarify or improve the policy of your agencies. This breakout is meant for all board members, at any level of service, to consider the critical nature and importance of the practice of policy-making.

COME HELL OR HIGH WATER: FUNDING CONSERVATION, FLOOD CONTROL, AND STORMWATER

Best Best & Krieger LLP

This presentation will address potential solutions to structuring tiered water rates in light of recent court decisions; and options for funding discounts for low income water, sewer, and solid waste service customers, and stormwater and flood control services.

TAKING CHARGE OF YOUR NEWS COVERAGE: TIPS AND TRICKS FOR MAKING THE MOST OF YOUR MEDIA INTERACTIONS

Communication Advantage

Be sure to attend this session designed to help district officials unravel one of the greatest mysteries of public service: How to say just the right thing, at the right time, when the news media knock on the door (or telephone or website or twitter feed).

STRATEGIES FOR DEALING WITH A TOXIC WORKPLACE

Placer County Water Agency

A dysfunctional or "toxic" workplace is often characterized by poor communication, lack of trust, gossip and cynicism, blame and scapegoating, and negativity. This interactive session will provide attendees with a checklist that can be used to determine whether your workplace is in fact toxic, and will share effective strategies to clean up the toxins and rejuvenate the organization.



"I thought the CSDA conference was a great blend of sessions developed to assist our industries and their needs as well as great keynote speakers who were particularly motivating and inspiring to help us breathe new life into our own positions, and to help our office staff do the same."

Sheryl Landrum
District Manager

3:30 – 4:30 p.m.

Breakout Sessions

UH-OH! HOW TO STEER THE SHIP BACK TO SAFETY IN EMERGENCY SITUATIONS

Meyers Nave

Natural disasters, political dramas, personnel issues, and capital projects gone awry are just some possibilities that could plunge a district into emergency mode. We'll provide the tools to navigate these crises with composure, in both short and long terms.

REV UP YOUR REVENUE: A HOW-TO-DO-IT OVERVIEW FOR SPECIAL DISTRICTS WITH REVENUE NEEDS

SCI Consulting Group

An overview of current available revenue mechanisms, including special taxes, benefit assessments, fees and charges, and grants. Associated public opinion polling and community outreach will also be presented.

OPEB AND PENSION STRATEGIES: UNLOCKING THE POWER OF PRE-FUNDING PARS

This breakout will address the latest funding strategies and trends to reduce both OPEB and pension liabilities. Presenters will cover: how to reduce retiree health care obligations, pre-funding liabilities, benefit and funding strategies, and options to lower pension liabilities and improve net pension liabilities (GASB 68).

SPECIAL DISTRICT REORGANIZATION: WHAT DOES IT MEAN, WHAT ARE THE OPTIONS, AND HOW DO WE PREPARE?

Kampa Community Solutions

Districts are expected to have the expertise to provide the basic services for which they were formed. But what if you can't afford providing services at a level that meets all laws and standards? Presenters will cover a checklist of items for consideration to avoid potential major operational and financial pitfalls associated with consolidation.

CARLSBAD SEAWATER DESALINATION PROJECT: COLLABORATIVE SOLUTIONS

Panel Discussion

The Carlsbad Seawater Desalination Project is the nation's largest and most technologically advanced and energy-efficient seawater desalination plant. Completed in December 2015, this \$1 billion project provides a drought-proof, locally controlled water supply to 400,000 people in San Diego County. The project was built as a public/private partnership that included the Water Authority, Poseidon Resources, and IDE Technologies. This session will include a panel of partners to discuss the collaboration necessary on the long road to permit the plant, and the process to design and fund the facility, the water purchase agreement that ensures regional delivery of the water, and day-to-day operations.

CHAIRING AND MANAGING EFFECTIVE PUBLIC MEETINGS

Colantuono Highsmith

Whatley PC

Dread the thought of chairing or attending another meeting? This breakout will help you make board, public, staff, and just about any meeting more constructive. It will provide techniques and tips for effective meetings.

DESIGN-BUILD DELIVERY UNDER NEW CALIFORNIA LAW

Atkinson, Andelson, Loya,

Ruud & Romo

The law has been revised in the past several months to allow, under certain conditions, local agencies to contract using the design-build method. This breakout will educate on the design-build delivery method and the qualifications and legal requirements to implementing such a project in the state of California.

Mix & Mingle in the Exhibit Hall

TUESDAY, OCTOBER 11

4:30 – 6:00 p.m.

Grand Prize Drawings

Drop anchor and connect with exhibitors in the exhibit hall for a cocktail and appetizer before you go ashore for dinner in San Diego. Be sure to enter for one more chance to win one of our fabulous prizes!



Agenda Item F-4

WEDNESDAY, OCTOBER 12



8:15 – 9:00 a.m.

SDRMA Sponsored Full Plated Breakfast*All registered attendees and exhibitors welcome.*

WEDNESDAY

9:00 – 10:45 a.m.

Keynote Presentation:**Kai Knight****COMPOSING YOUR WORLD***Sponsored by SDRMA***KAI KNIGHT****COMPOSING YOUR WORLD**

Kai Knight has a diverse background that has been fueled by creating and making music. He holds an engineering degree from Stanford University's d. school where he was introduced to the innovative culture of Silicon Valley. Kai began playing the violin when he was three years old, was classically trained, and studied under the concertmaster of Kennedy Center Opera House Orchestra. His music has brought him to perform in venues such as the White House and the Great Wall of China.

Why do some people just play notes they are handed while others write new music in the world? In his captivating presentation, violinist Kai Knight will tackle this question, perform original music, and share the inspiring story of how he became an innovative composer in a field of conformity. This session will leave you feeling inspired to take your future into your own hands and bring your unique ideas forward.

11:00 a.m. – 4:45 p.m.

SDRMA Safety Specialist Certificate Program*Lapidus Safety Consulting*

This session will identify the critical elements that compromise a safety plan. Identifying key components of the Injury, Illness Prevention Plan (IIPP), Cal/OSHA guidelines, and best practices of safety management to help your agency stay safe. Participants will receive a General Safety Certificate and earn CIP points for their agency. *SDRMA members only.*

11:00 a.m. – 12:15 p.m.

Breakout Sessions**BECOME THE OFFICE COACH - COACHING FOR PERFORMANCE***CPS HR Consulting*

The three keys to successful leadership are knowing your people, getting results, and establishing a positive work environment. Coaching is the leadership competency that creates development within all three keys. This breakout will explore the coaching process and how you can move people into higher levels of performance using coaching.

2016 FAIR EMPLOYMENT AND HOUSING ACT (FEHA) UPDATES*Special District Risk Management Authority (SDRMA)*

Effective on April 1, 2016 the Department of Fair Employment and Housing (DFEH) issued the new regulations to the Fair Employment and Housing Act (FEHA). The session will identify the updated "employer" duties to take "reasonable" steps to prevent and correct discrimination and harassment in the workplace. We will discuss the new law and its effect on gender identity, gender expression, and transgender status, which are expressly protected in the workplace.

REQUIRED AB 1825 SEXUAL HARASSMENT PREVENTION FOR STAFF AND ELECTED OFFICIALS (PT. 1)*Burke Williams Sorensen*

AB 1825 makes sexual harassment prevention training mandatory for supervisory employees of special districts and other organizations. This legislation requires employers to ensure that all managers/supervisory employees receive at least two hours of sexual harassment prevention training every two years. Receive your AB 1825 compliance training for special districts with this breakout. *Must attend both sessions in order to receive your certificate.*

LET THE SUN SHINE IN: BROWN ACT UPDATE*Atkinson, Andelson, Loya, Ruud & Romo*

This session will educate on the legal requirements and procedures to ensure public business is conducted in full compliance with California's transparency laws. Attendees will learn the Brown Act's requirements concerning agendas, meeting procedures, public participation, and permissible closed session exceptions.

AND NOT A DROP TO DRINK: OPTIONS AND OBLIGATIONS FOR HANDLING CALIFORNIA DROUGHT*Hanson Bridgett LLP*

Drought continues to hound California water agencies, despite the recent rains. With the drought have come state mandated regulations, as well as increased pressure on agencies' financial modeling. We will discuss agencies' obligations under the drought regulations and the options that are available for recovering costs in light of the limits imposed by Proposition 218.

INNOVATIVE STRATEGIES AND SOLUTIONS THROUGH COLLABORATION*Panel Discussion*

Although service area maps clearly define service boundaries, agency leaders can collaborate and use contractual agreements to create solutions that improve service, share costs and infrastructure, and create progressive projects that might otherwise not be achievable. Attend this session to learn about techniques others have used to improve collaboration and take away ideas you can incorporate into your own district.

**BUILDING CONSENSUS FOR CORE PRIORITIES:
CRITICAL ACTION YOUR BOARD SHOULD TAKE**

Rauch Communication Consultants, Inc.

Whether you call it identifying priorities, building consensus, or strategic planning, building consensus for core priorities is a critical action to move your district from good to great. This will help you to overcome key challenges and take advantage of important opportunities.



12:30 – 2:00 p.m.

**CSDA Annual
Awards Luncheon**

All registered attendees and exhibitors welcome.

Recognize and celebrate your peers. Join us as we celebrate the best of special districts with awards including: Board Member of the Year, General Manager of the Year, the prestigious William Hollingsworth Award of Excellence, Special District Leadership Foundation (SDLF) Awards, and more!

CSDA Recognizes the Best Among Special Districts

Do you have a board member, staff member, local chapter or program that you feel deserves recognition?

Each year, CSDA presents various awards during the conference. There are a number of different categories. Please consider outstanding individuals within your districts for individual awards. Chapter awards and district awards are also open for nominations.

Visit the Awards section of our conference website at conference.csdanet.net for more information.

CSDA Awards Luncheon

Guest Only, without a conference registration: \$45

If you have any questions regarding the awards or the awards process, please contact Charlotte Lowe at 877.924.2732 or by email at charlottel@csda.net.

Deadline for submissions is Friday, July 22, 2016. All applicants will be notified prior to the Annual Conference as to the winner.

2:15 – 3:30 p.m.

Breakout Sessions

**PREVENTING EMPLOYEE DISHONESTY
CLAIMS/BEST PRACTICES**

Special District Risk Management Authority (SDRMA)

This session will identify and discuss steps that a board can implement to prevent and mitigate employee dishonesty/ embezzlement losses. Reviewing recently published Grand Jury reports provides specific examples of how employees were able to circumvent agency policy to embezzle district funds and also identifies misuse of district property.

**MORE OPEN AND PUBLIC? RECENT DEVELOPMENTS IN
THE CALIFORNIA PUBLIC RECORDS ACT**

Burke Williams Sorenson

Between the Legislature and the courts, 2016 has been a significant year for new laws and decisions affecting the scope and application of the California Public Records Act. This breakout will address recent updates to the law.

**HOW QUALITY STANDARDS CAN
RE-INVENT GOVERNMENT**

CPS HR Consulting

A quiet revolution in government management has begun, with a goal of reinventing the value proposition of government. This breakout will discuss the revolution, which is based on the universal adoption of an intriguingly simple set of auditable quality standards that provide a uniform and objective means of measuring delivered efficiency, effectiveness, and value in all government offices and agencies everywhere.

**REQUIRED AB 1825 SEXUAL HARASSMENT PREVENTION
FOR STAFF AND ELECTED OFFICIALS (PT. 2)**

Burke Williams Sorensen

AB 1825 makes sexual harassment prevention training mandatory for supervisory employees of special districts and other organizations. This legislation requires employers to ensure that all managers/supervisory employees receive at least two hours of sexual harassment prevention training every two years. Receive your AB 1825 compliance training for special districts with this breakout. Must attend both sessions in order to receive your certificate.

**BUSINESS CONTRACT PROVISIONS THAT
PROTECT YOUR DISTRICT**

Liebert Cassidy Whitmore

Nothing is wrong with your vendor contract until the unexpected happens. Districts will receive pointers to avoid problems with vendor contracts using real life examples, including “must-have” provisions and how to proceed when vendors want you to sign confusing contract forms.

NAVIGATING THE CALPERS AUDIT

Best Best & Krieger

This presentation will discuss the most common compliance issues that lead to an audit finding and how an agency can address those issues to minimize the impact of an audit. In addition, we'll discuss the risk factors that make an agency more likely than not to be selected for a CalPERS audit. Finally, we'll walk you through the audit process and discuss the purpose and target of each phase of an audit.

MASTERING GOOD GOVERNANCE

Rauch Communication Consultants

This interactive session full of examples and real world ideas will help you streamline and update how your board operates. Gain ideas on how to make board meetings more effective, interesting, and meaningful. Learn how to evaluate whether to have committee meetings and, if so, how to structure them. Get tips on how to ensure your board is focusing on the right information and issues and providing clear policy direction to the manager.

3:45 – 4:45 p.m.

Breakout Sessions

LET'S GET DIGITAL - ELECTRONIC RECORDS MANAGEMENT

Laserfiche

Today's special districts have more information than ever, and it is a challenge to effectively manage warehouses full of documents. That's why many special districts are turning to electronic records management for relief. Join us to learn more about the fundamentals and best practices of establishing an electronic records management strategy.

WORKERS' COMPENSATION CLAIMS - WHAT'S AN EMPLOYER TO DO?

Special District Risk Management Authority (SDRMA)

Understanding the workers' compensation claims process and the responsibilities of both the employer and employee is critical in the claims process. This session will discuss and provide examples of the employer's role in managing a work-related injury. The primary goal of a successful claim is returning the employee to work. What steps are necessary to accomplish this goal? What is the injured employee's role in the claim process? These and many other questions will be answered.

ON-BOARDING THE BOARD

BHI Management Consulting

When a new board member starts their service in a district, it always presents a unique opportunity to "on-board" them properly. This breakout will provide attendees with information on how to do just that.

BIDDING PROCEDURES AND BID PROTESTS

Liebert Cassidy Whitmore

This breakout will provide an overview of the bidding process, including statutory authority, bidding procedures and considerations, and responsiveness vs. responsibility. Using specific examples, this session will also provide best practices for special districts to avoid a bid protest and how to properly handle a bid protest if one occurs.

R.E.S.P.E.C.T.: COMMUNICATING YOUR DISTRICT'S VALUE

Panel Discussion

District officials and staff seek guidance on how to create strategic communications and outreach programs that are effective in educating their customers. A panel will share success stories and best practices on identifying customer segments and their motivational factors, crafting tailored messages, and coordinating programs that deliver intended communications to customers in a way that builds trust and motivates action.

EVERYTHING YOU NEED TO KNOW ABOUT ONLINE COMPLIANCE

Streamline

CSDA Legislative Representative Dillon Gibbons and the folks at Streamline, who brought CSDA members the free SB 272 compliance tool, will go over everything special districts need to know about online compliance—even for those without a website. They'll touch on federal and state requirements, go over the Freedom of Information and Public Records Acts, and discuss transparency best practices. The presenters will also give an update on pending legislation that affects districts. Attendees will leave with comprehensive handouts detailing each requirement to help them with compliance.

DRONES IN YOUR DISTRICT: TECHNOLOGY, EXISTING LAW, AND PRIVACY CONCERNS

Meyers Nave

Unmanned aerial vehicles, commonly known as drones - are creating challenges for state and local governments. This session will explore new and proposed drone legislation and the developing dialogue about surveillance, voyeurism, and privacy rights.



6:00 – 8:00 p.m.

**Special District Leadership Foundation (SDLF)
Taste of the City**

OKTOBERFEST CELEBRATION

See next page...



Oktoberfest

Wednesday 10.13 | 6:00 – 8:00 p.m.

Special District Leadership Foundation

Taste of the City Oktoberfest Celebration

Join us for an evening of all things
Oktoberfest: beer, brats, and even a
Bavarian beer garden band!

This party has a purpose. Attendees at this reception will have the opportunity to participate in the Special District Leadership Foundation (SDLF) silent auction to raise funds for scholarships. A special wine raffle will also be held at 7:30 p.m. Be sure to purchase tickets throughout the conference for the chance to win a deluxe 35-bottle wine cellar fully stocked.

You must be present to win!

All registered attendees and exhibitors welcome.

Member guest: \$60 Non-member guest: \$90



**SPECIAL DISTRICT
LEADERSHIP FOUNDATION**

SDLF is an independent, non-profit organization formed to promote good governance and best practices among California's special districts through certification, accreditation, and other recognition programs. The SDLF and its activities are supported through the California Special Districts Association and Special District Risk Management Authority. For more information visit www.sdlf.org.



Agenda Item F-4

THURSDAY, OCTOBER 13

8:30 – 10:00 a.m.

Breakout Sessions**CHAPTER ROUNDTABLE DISCUSSION**

Join the annual roundtable gathering of CSDA's affiliated chapters. CSDA board members and CSDA affiliated chapter officers will come together from throughout the state to share an update on the state of the chapters, discuss best practices, and deliberate the latest issues and opportunities facing the membership. Learn more about the local leadership at work within the special districts community and how participating in a CSDA affiliated chapter can benefit your district and your region. All attendees welcome.

CEQA: WHAT SPECIAL DISTRICTS NEED TO KNOW IN 2016 AND BEYOND

Best Best & Krieger LLP and Albert A. Webb Associates

Special district actions must comply with fast-changing CEQA law. This panel addresses recent legislation and litigation, and will touch upon GHGs, AB 52, special events, water issues, and much more.

THE ETHICAL MAZE OF ELECTED OFFICE

Liebert Cassidy Whitmore

California law includes an endless and varied array of ethics and related laws that affect elected leaders. This breakout will address these laws so that staff can educate the elected official concerning easily-violated ethical standards.

ENHANCED INFRASTRUCTURE FINANCING DISTRICTS - SHOULD SPECIAL DISTRICTS JOIN THE PARTY?

Kosmont Companies

Welcome to the post-RDA world of economic development. With a dozen new statutes geared toward directing how public agencies can attract private investment and jobs, it's time to figure out how to make it work for special districts.



10:15 a.m. – 12:00 p.m.

Closing Brunch**2016 LEGISLATIVE IMPACTS ON SPECIAL DISTRICTS**

Kyle Packham



Christina Lokke



Dillon Gibbons



Jimmy MacDonald

CSDA's lobbying team will present attendees with the most up-to-date information on the outcome of the most significant state budget and legislative issues impacting special districts in 2016, as well as a sneak peak of what to expect in 2017.

This year included major proposals affecting special district governance and reporting, as well as how your district contracts for the design and construction of vital infrastructure. Get all the latest legislative results and learn what they mean for special districts going forward.

12:00 p.m.

Time to disembark.

"Everything went great. The breakout sessions were so informative and the speakers very helpful and willing to find info on any questions they couldn't immediately answer. The hotel was very comfy and the staff - hotel and conference alike - were very attentive."

Crystal Smith
Director

Agenda Item F-4



'16 CSDA ANNUAL
CONFERENCE



Hotel and location

Sheraton San Diego Hotel and Marina
1380 Harbor Island Drive
San Diego, CA 92101

Room reservations are available at the Sheraton San Diego Hotel & Marina at the CSDA rate of \$159 plus tax single or double occupancy, which includes complimentary guestroom internet access. Call 877.734.2726 and ask for the California Special Districts Association rate. The first night room and tax becomes non-refundable if a reservation is cancelled after the cut-off date of Monday, September 19 at 5:00 p.m.



your
cabin

Agenda Item F-4



Ready for every wave.

SDRMA offers a seamless extension of balance and agility. For 30 years, we've been helping California public agencies ride the changing waves of risk. Whatever the emerging trend or ongoing exposure, our unique combination of world-class consulting and technical experts stands superior on our members' behalf.

We serve as a single resource for all your coverage protection and risk-management needs. Visit our website at www.sdrma.org or call us at **800.537.7790** to learn more about our Workers' Compensation, Property/Liability and Health Benefits Programs.



quick guide at a glance

MONDAY, OCTOBER 10

9:00 a.m. - 3:00 p.m.	PRE-CONFERENCE WORKSHOP: Special District Leadership Academy: Governance Foundations
10:00 a.m. Tee Times Begin	CSDA ANNUAL GOLF TOURNAMENT: Coronado Municipal Golf Course
12:00 - 3:45 p.m.	PRE-CONFERENCE WORKSHOP: Communication Strategies for Board Members and General Managers
12:00 - 3:00 p.m.	PRE-CONFERENCE TOUR: Carlsbad Desalination Plant
2:00 - 4:00 p.m.	SPECIAL DISTRICT LEADERSHIP FOUNDATION: Special District Administrator (SDA) Exam
4:00 - 5:00 p.m.	DISTRICT NETWORKS MEETINGS
5:30 - 7:30 p.m.	PRESIDENT'S RECEPTION WITH THE EXHIBITORS

TUESDAY, OCTOBER 11

7:30 - 8:45 a.m.	CONTINENTAL BREAKFAST WITH THE EXHIBITORS
9:00 - 10:45 a.m.	OPENING KEYNOTE PRESENTATION: Ross Shafer "How to Stay Relevant"
11:00 a.m. - 12:00 p.m.	BREAKOUT SESSIONS
12:00 - 1:45 p.m.	LUNCH WITH THE EXHIBITORS
2:00 - 3:15 p.m.	BREAKOUT SESSIONS
3:30 - 4:30 p.m.	BREAKOUT SESSIONS
4:30 - 6:00 p.m.	MIX & MINGLE IN THE EXHIBIT HALL

WEDNESDAY, OCTOBER 12

8:15 - 9:00 a.m.	SDRMA FULL PLATED BREAKFAST
9:00 - 10:45 a.m.	SDRMA GENERAL SESSION/SAFETY AWARDS/KEYNOTE: Kai Kight "Composing Your World"
11:00 a.m. - 4:45 p.m.	SDRMA SAFETY SPECIALIST CERTIFICATE PROGRAM
11:00 a.m. - 12:15 p.m.	BREAKOUT SESSIONS
12:30 - 2:00 p.m.	AWARDS LUNCHEON
2:15 - 3:30 p.m.	BREAKOUT SESSIONS
3:45 - 4:45 p.m.	BREAKOUT SESSIONS
6:00 - 8:00 p.m.	SDLF TASTE OF THE CITY: Oktoberfest

THURSDAY, OCTOBER 13

8:30 - 10:00 a.m.	BREAKOUT SESSIONS
10:15 a.m. - 12:00 p.m.	CSDA CLOSING BRUNCH: 2016 Legislative Impacts on Special Districts



"This conference is a great, once-a-year opportunity for special district elected officials and managers to share and learn among our peers."

Joe Barget, SDA
General Manager



2016 Conference ATTENDEE REGISTRATION FORM

one form per attendee, please print



Three Ways to Register:

1. ONLINE by visiting the CSDA Annual Conference website at conference.csdanet.net
2. FAX your registration form to 916.520.2465. All faxed forms must include payment.
3. MAIL CSDA, 1112 I Street, Suite 200, Sacramento, CA 95814, please include registration form along with payment. Check should be made payable to: California Special Districts Association.

Not sure if you are a member?

Contact the CSDA office at 877-924-2732 to find out if your agency or company is already a member. To learn more about the benefits of membership, contact Member Services Director Cathrine Lemaire at cathrinel@csda.net or call toll-free 877.924.2732.

Full conference registration fee includes:

- President's Reception with the Exhibitors Monday evening
- Keynote Sessions
- Continental Breakfast with the Exhibitors on Tuesday
- Lunch with the Exhibitors on Tuesday
- Mix and Mingle in the Exhibit Hall on Tuesday
- SDRMA Full Plated Breakfast on Wednesday
- Awards Luncheon on Wednesday
- All Breakout Sessions on Tuesday, Wednesday, and Thursday
- SDLF "Taste of the City" Reception on Wednesday
- Closing Brunch on Thursday

Name:		Title:		
District:				
Address:				
City:		State:	Zip:	
Phone:		Fax:		
Email:		Website:		
Member status: <input type="checkbox"/> Member <input type="checkbox"/> Non-member				
Emergency Contact:		<input type="checkbox"/> Vegetarian <input type="checkbox"/> Any Special Needs:		
Conference Registration Fees		Early Bird (on or before Sept. 9)	Regular (after Sept. 9)	SUBTOTAL
<input type="checkbox"/> CSDA Member - Full Conference		\$580.00	\$630.00	
<input type="checkbox"/> Non-member - Full Conference		\$870.00	\$945.00	
<input type="checkbox"/> Guest - Full Conference (Cannot be from a district/company) <input type="checkbox"/> Vegetarian		\$275.00	\$315.00	
<input type="checkbox"/> CSDA Member - One-day registration <input type="checkbox"/> Tuesday <input type="checkbox"/> Wednesday <input type="checkbox"/> Thursday		\$275.00 each day	\$290.00 each day	
<input type="checkbox"/> Non-member - One-day registration <input type="checkbox"/> Tuesday <input type="checkbox"/> Wednesday <input type="checkbox"/> Thursday		\$415.00 each day	\$435.00 each day	
Separate Registration Fees		Member	Non-member	SUBTOTAL
<input type="checkbox"/> Pre-Conference Workshop: SDLA Module 1: Governance Foundations - Oct. 10		\$225.00	\$340.00	
<input type="checkbox"/> Pre-Conference Workshop: Communication Strategies for Board and Managers - Oct. 10		\$150.00	\$225.00	
<input type="checkbox"/> Tour: Carlsbad Desalination Plant - Oct. 10		\$ 35.00 (includes transportation/lunch) (limited to 45 attendees)		
<input type="checkbox"/> CSDA Annual Golf Tournament - Oct. 10		\$ 95.00 (includes lunch)		
<input type="checkbox"/> SDRMA Safety Specialist Certificate Program - Oct. 12		No cost (SDRMA Members Only)		
<input type="checkbox"/> CSDA Awards Luncheon (Guests only) - Oct. 12		\$ 45.00		
<input type="checkbox"/> SDLF "Taste of the City" Reception (Guests only) - Oct. 12		\$ 60.00 CSDA Member Guest	\$ 90.00 Non-member Guest	
TOTAL				
Payment type: <input type="checkbox"/> Check <input type="checkbox"/> Visa <input type="checkbox"/> MasterCard <input type="checkbox"/> AMEX <input type="checkbox"/> Discover				
Account name:		Account Number:		
Expiration date:		Authorized Signature:		

Cancellations/Substitution Policy: Cancellations must be in writing and received by CSDA not later than Friday, September 16, 2016. All cancellations received by this date will be refunded less a \$75 processing fee. There will be no refunds for cancellations made after September 16, 2016. Substitutions are acceptable and must be done in writing no later than September 23, 2016. Please submit any cancellation notice or substitution request to lindseys@csda.net or fax to 916-520-2465.

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“This conference gave me insight and solutions to issues that my district is seeking to overcome. I have taken the experience back to my fellow board members in the expectation that what I gained by this conference will help us all to serve our community better.”

Al Morrissette
Director



Town of Discovery Bay

"A Community Services District"

AGENDA REPORT

Meeting Date

July 20, 2016

Prepared By: Brian Miller, Parks & Landscape Manager
Submitted By: Catherine Kutsuris, Interim General Manager

Agenda Title

Consider approval of Palm Tree Pruning- Zone 8

Recommended Action

Consider approval of Proposal #56712, Submitted by Commercial Tree Service on 5/26/2016. Pruning 200 Palm trees in Zone 8 for the total sum of \$22,925.00 and authorize the General Manager to sign a contract.

Executive Summary

Town of Discovery Bay- Various Locations in Zone 8

See attached Proposal: #56712

The Town of Discovery Bay Community Services District would like to contract services with Commercial Tree Service to prune 200 palm trees located in Zone 8. The tree pruning is an annual maintenance project that has been contracted out in smaller groups of trees in previous years. Parks & Landscape Manager would like to do a lump sum project, with The Town of Discovery Bay, Board of Directors approval. Time is of the essence on this project to prevent the 200 Palm Trees from producing seeds that would sprout thousands of Palm trees creating a maintenance overload on the Parks & Landscape crew. This is an annual project, required to prevent the spread of seedlings and enhance the overall Landscape appearance.

There are 3 bids attached to this recommendation – Davy Tree, Valley Oaks Tree and Commercial Tree Service. All 3 Companies are on the DIR list, licensed and insured. Commercial Tree Service is the lowest qualified bidder.

Fiscal Impact:

Amount Requested \$22,925.00

Sufficient Budgeted Funds Available?: Yes

Prog/Fund # Zone 8. Category: General Maintenance

Previous Relevant Board Actions for This Item

None

Attachments:

Proposals - Commercial Tree Care, Davey, Valley Oaks

AGENDA ITEM: F-5



Commercial Tree Care
 A Rhino Enterprises Company
 P.O. Box 549 | Santa Clara, CA 95052
 Office 408.985.8733 | Fax 408.985.6536

PROPOSAL # 56712

Town of Discovery Bay
 ATTN: Brian Miller
 1800 Willow Lake Road
 Discovery Bay, California, 94505

Dated: 5/26/2016
 Phone Number: (925) 308-9067
 Fax Number:

Contact: Brian Miller

Email: bmillert@todb.ca.gov

Town of Discovery Bay - Various Addresses

Various Addresses, Discovery Bay, California

Dear Brian,

Commercial Tree Care thanks you for the opportunity to provide tree recommendations at Town of Discovery Bay - Various Addresses. Below is a summary of our recommendations and prices.

Item	Qty	Scope of Work to be Performed	Rate	Total Amount	APRVD
1		Fan Palm-Crown clean to remove dead, dying or poorly attached fronds and all fruit and flower stalks Prune at 9 and 3.			
1a	12	Fan Palm (12) On Clipper Dr.	\$90.00	\$1,080.00	<input type="checkbox"/>
1b	1	Fan Palm (1) on Marina Way	\$90.00	\$90.00	<input type="checkbox"/>
1c	2	Fan Palm (2) On Seal Way	\$90.00	\$180.00	<input type="checkbox"/>
1c	49	Fan Palm (49) at Entrance on Discovery Bay Blvd.	\$90.00	\$4,410.00	<input type="checkbox"/>
1d	4	Queen Palm (4) At Entrance to Discovery Bay Blvd.	\$65.00	\$260.00	<input type="checkbox"/>
1f	14	Fan Palm (14) on Discovery Point.	\$90.00	\$1,260.00	<input type="checkbox"/>
1g	32	Fan Palm (32) on Newport Dr.	\$90.00	\$2,880.00	<input type="checkbox"/>
1h	11	Fan Palm (11) on Willowlake at Discovery Bay Blvd.	\$90.00	\$990.00	<input type="checkbox"/>
1i	6	Fan Palm (6) In Grass Islands on Discovery Bay Blvd.	\$90.00	\$540.00	<input type="checkbox"/>
1j	5	Canary Island Date Palm (5) Corner of Point of Timber and Bixler Road.	\$175.00	\$875.00	<input type="checkbox"/>
1k	6	Fan Palm (6) on Cabrillo Point.	\$90.00	\$540.00	<input type="checkbox"/>
1l	3	Fan Palm (3) on Marina Circle	\$90.00	\$270.00	<input type="checkbox"/>
1m	5	Fan Palm (5) on Lido Circle	\$90.00	\$450.00	<input type="checkbox"/>
1n	1	Fan Palm (1) Many Dead stalks on DB Blvd west side between Clipper and Clipper Estates.	\$500.00	\$500.00	<input type="checkbox"/>
1o	2	Fan Palm (2) Behind Fire Station. Lots of dead fronds still attached.	\$775.00	\$1,550.00	<input type="checkbox"/>

Arborists are tree specialists who use their education, knowledge, training and expertise to examine trees, recommend measures to enhance the beauty and health of trees, and attempt to reduce risk of living near trees. Clients may choose to accept or disregard the recommendations of the arborist, or to seek additional advice. Arborists cannot detect every condition that could possibly lead to the structural failure of a tree. Trees are living organisms that fail in ways we do not fully understand. Conditions are often hidden within trees and below the ground. Arborists cannot guarantee that a tree will be healthy or safe under all circumstances, or for a specific period of time. Likewise, remedial treatments, like medicine, cannot be guaranteed. Trees can be managed, but they cannot be controlled. To live near trees is to accept some degree of risk. The only way to eliminate all risk associated with trees is to eliminate all trees.



Commercial Tree Care

A Rhino Enterprises Company

P.O. Box 549 | Santa Clara, CA 95052

Office 408.985.8733 | Fax 408.985.6536

Item	Qty	Scope of Work to be Performed	Rate	Total Amount	APRVD
1p	47	Fan Palm (47) at Community Center. Some are clean, some have a few years growth. Several of these trees will need to be climbed to be cleaned.	\$150.00	\$7,050.00	<input type="checkbox"/>
				\$22,925.00	

Thank You,

Chris Sartain

I.S.A. Certified Arborist # WE-10639A

The prices specifications and conditions are satisfactory and are hereby accepted. Commercial Tree Care is authorized to perform the work as specified.

Authorized Signature: _____ Date _____ Amount _____

Arborists are tree specialists who use their education, knowledge, training and expertise to examine trees, recommend measures to enhance the beauty and health of trees, and attempt to reduce risk of living near trees. Clients may choose to accept or disregard the recommendations of the arborist, or to seek additional advice. Arborists cannot detect every condition that could possibly lead to the structural failure of a tree. Trees are living organisms that fail in ways we do not fully understand. Conditions are often hidden within trees and below the ground. Arborists cannot guarantee that a tree will be healthy or safe under all circumstances, or for a specific period of time. Likewise, remedial treatments, like medicine, cannot be guaranteed. Trees can be managed, but they cannot be controlled. To live near trees is to accept some degree of risk. The only way to eliminate all risk associated with trees is to eliminate all trees.



The Davey Tree Expert Company
 500 Deerwood Rd, Ste C
 San Ramon, CA 94568
 Phone: (925) 855-9974 Fax: (925) 855-9973
 Email: Dash.Schenck@davey.com
 CA Contractor #694001



Client

7/6/2016

TOWN OF DISCOVERY BAY
 Brian Miller
 1601 Discovery Bay Blvd
 Discovery Bay, CA 94505-1000

Proposal #: 20030724-00000614
 Account #: 5322502
 Work: (925) 634-1733
 Mobile: (925) 727-2167
 Fax: (925) 513-2167
 Email: bmillier@todb.ca.gov

CONTRACT FOR MATERIALS AND SERVICES

YOU ARE ENTITLED TO A COMPLETED COPY OF THIS CONTRACT, SIGNED BY BOTH YOU AND US (THE CONTRACTOR), BEFORE ANY WORK MAY BE STARTED

<u>Tree Pruning and Surgery</u>	<u>Service Period</u>	<u>Price</u>	<u>Tax</u>	<u>Total</u>
<input type="checkbox"/> Tree Pruning	July	\$34,432.00		\$34,432.00

Palm trees: Remove dead fronds, prune living fronds to the 10 and 2 a o'clock positions, remove seed pods. Haul away all resulting debris.

Locations:

53-Discovery Bay Entrance: 19 East side, 6 Median, 24 West side, 4 queens palms. 158 per palm

1-West side near pump. 1260.00

2-On Seal Way. 158 per palm

11-At willowlake and DB Blvd 158 per palm

6-In grass island Discovery Bay Blvd 158 per palm

6-On Cabrillo Point. 158 per palm

5-On Lido Circle. 158 per palm

14-On Discovery Point. 158 per palm

3-On Marina Circle. 158 per palm

*47-At the Community Center- 11 Front, 18 Tennis Courts, 3 Dog Park, 15 Pool. 158 per palm *Must be able to drive a pick up size bucket truck to all trees behind Office building excluding the 18 at the tennis courts**

2-Fire Station. 1260 per tree

1-On Marina Way. 158 per palm

9-Clipper Drive. 158 per palm

32-On Newport Dr. 158 per palm

5-Date Palms Bixler Rd. @ Point Timber 158 per palm

The City of Discovery Bay "buyer" shall provide in writing prior to authorization and scheduling the scope of work referenced in this proposal/bid, confirmation that this project has been classified as Tree maintenance craft (Laborer); determination NC-102-X-21-2015-1, pursuant the DIR California Labor Code part 7, article 2, section 1770, 1773, 1773.1. Contract pricing is based on the referenced classification. The Davey Tree Expert Company reserves the right to change contract pricing, either before or after commencement of this agreement should the scope of this work be related to a construction based project and subject to following Construction classification prevailing wage determination NC-23-102-1-2015-2.

Yes, please schedule the services marked above.

No Deposit may be required upon acceptance:

Deposit payment options we accept are check or credit card

\$.00 Deposit Required / \$ _____ Deposit Received

To pay by check mail to

To pay by credit card call

Upon completion of work, please charge balance to credit card Yes No

The Davey Tree Expert Company
500 Deerwood Rd, Ste C
San Ramon, CA 94568

(925) 855-9974

Deposit cannot exceed 10% or \$1,000, whichever is less.



ACCEPTANCE OF PROPOSAL: The above prices and conditions are hereby accepted. You are authorized to do this work as specified. I am familiar with and agree to the terms and conditions appended to this form. All deletions have been noted. I understand that once accepted, this proposal constitutes a binding contract. This proposal may be withdrawn if not accepted within 30 days.

My signature below signifies my understanding that the contractor has given me "Notice of a Three-Day Right to Cancel".

Dash Schenck

Dash Schenck ISA Certified Arborist UT-4464A

Authorizing Signature

Date

**Discovery Bay
P-6 Zone Citizen
Advisory
Committee**



Office of Supervisor Mary N. Piepho
Contact: Alicia Nuchols
3361 Walnut Blvd, Ste. 140
Brentwood, CA 94513
925-242-4500

Respectfully submitted by: _____

DRAFT

The Discovery Bay P-6 Zone Citizen Advisory Committee serves as an advisory body to the Contra Costa County Board of Supervisors and the County Planning Agency.

Record of Actions

Meeting start time: 6:00 p.m.

Wednesday, April 13, 2016

- 1.) Meeting called to order by Chair Kane at 6:00 p.m. All members present.**
- 2.) Public Comment:** No public comment received.
- 3.) Review of Record of Actions of October 14, 2015 meeting:** Committee member Zeigler made a motion to accept the Record of Actions as prepared. Second made by Committee member Mankin. Motion carried 5-0. AYES: Kane, Zeigler, Mankin, Steinberger, and Belcher
- 4.) Correspondence: (Key: R= Received S= Sent) None.**
- 5.) Old Business: NONE**
- 6.) New Business:**
 - a.) Monthly Activity Report (Lt. Hobbs): Lt. Fontenot the calls for service and reports for January 1-March 31, 2016.
 - b) RADKids Program was reviewed and discussed for funding request of \$15k. Motion to approve and request a letter from Supervisor Piepho's office for this expenditure was made by Committee Member Belcher. Second made by Committee Member Zeigler. Motion carried. 5-0. AYES: Kane, Zeigler, Mankin, Steinberger, and Belcher.
- 7.) Future agenda items/Committee Member Comments:**
- 8.) Adjourn:** Meeting adjourned at 6:47pm.

FINAL



**CONTRA COSTA COUNTY
AVIATION ADVISORY COMMITTEE
MINUTES OF MEETING
April 14, 2016**

MEETING CALLED: Chair Ronald Reagan called the meeting to order at 10:00 a.m.

PRESENT: **Roger Bass**, District II
Mike Bruno, Vice Chair, CCC Airports Business Association
DeWitt Hodge, Secretary, Member at Large
Keith McMahon, City of Concord
Derek Mims, City of Pleasant Hill
Rudi Raab, District I
Ronald Reagan, Chair, District III
Russell Roe, District V
Tom Weber, District IV

ABSENT: **Maurice Gunderson**, Member at Large

STAFF: Keith Freitas, Director of Airports
Judy M. Evans, Airport Secretary

**OPENING COMMENTS
BY CHAIR:** Ronald Reagan welcomed attendees.

**PUBLIC COMMENT
PERIOD:** Steve McCaffree, a local resident, expressed his discontent with aircraft at Buchanan Field doing touch-and-goes off of Runway 1R and would prefer they do these exercises off of Runway 19L. He also expressed concern about potential noise issues with the new JetSuiteX service.

**APPROVAL OF
MINUTES:** Moved by Rudi Raab; seconded by Mike Bruno. Approved unanimously. Yes: Roger Bass, Mike Bruno, DeWitt Hodge, Keith McMahon, Derek Mims, Rudi Raab, Ronald Reagan, Russell Roe, and Tom Weber. No: None. Abstained: None. Absent: Maurice Gunderson.

**APPROVAL OF
CONSENT ITEMS:**

Moved by Mike Bruno; seconded by Keith McMahon. Approved unanimously. Yes: Roger Bass, Mike Bruno, DeWitt Hodge, Keith McMahon, Derek Mims, Rudi Raab, Ronald Reagan, Russell Roe, and Tom Weber. No: None. Abstained: None. Absent: Maurice Gunderson.

PRESENTATION/SPECIAL REPORTS: None

DISCUSSION/ACTION ITEMS:

a. Items Pulled from Consent

None

b. Hangar Waiting List Complaint Letter/Response

An anonymous letter was sent to Contra Costa County Board Members, Concord City Council Members, Airports staff, Mount Diablo Pilots Association, individuals on the hangar wait list, and news media regarding a complaint about the hangar rental process. The letter alleged that there is at least one tenant without an aircraft in the hangar, which precludes applicants on the hangar waiting list to obtain a hangar. The letter did not include names or other specific information required to respond and was included in the AAC packet as an informational item. Keith Freitas explained that hangar inspections are performed every four years in order to ensure tenants are in compliance with the terms of the hangar agreements as well as procedures to prove aircraft ownership.

c. Helicopter Museum Proposal

Ronald Reagan stated that this item was requested to be put back on the agenda by Dick Sperling. However, it was made clear at a previous AAC meeting that in order for Airport staff and the AAC to consider this proposal, a business plan must first be submitted.

Tom Weber reported that Dick Sperling brought up the Helicopter Museum proposal at the last EAA meeting. It was explained to him again that nothing can be done until there is a business plan.

d. Tenant BBQ May 5, 2016

Ronald Reagan announced that the Tenant Appreciation BBQ will be held on May 5, 2016.

e. Business Items:

• Potential Scheduled Airline Charter Service:

Keith Freitas reported that a news release went out on April 5, 2016, announcing JetSuiteX's scheduled charter service at Buchanan Field Airport. The inaugural VIP flight is scheduled for Tuesday, April 19th starting at about 7:45 a.m. JetSuite has entered into an agreement to lease the Old Terminal Building and will start with two flights per day to Burbank and one flight on the weekends to Las Vegas.

Steve McCaffree asked if there would be more noise from the JetSuiteX jets. Keith Freitas explained that while the configuration inside the aircraft is different, the jets are no different than those currently operating at the Airport.

Derek Mims asked what kind of responses Airport staff has been receiving regarding JetSuiteX. Mr. Freitas stated that there are a few who are concerned about noise issues, but the majority of the callers are excited about the new jet service.

Mr. McCaffree asked if there are any safety or security concerns with the new jet service. Mr. Freitas explained that JetSuiteX is working with the FAA and TSA to implement required security measures.

Russell Roe explained further that there is already charter service at Buchanan Field; the only difference is that JetSuiteX is scheduled charter service.

Keith McMahan stated that as representative of the City of Concord, he has heard nothing but enthusiasm from community members about the new JetSuiteX service. Many remember the old commercial service out of Buchanan and held onto the hope that it may one day return. They feel frustrated driving past Buchanan Airport on their way to Oakland or San Francisco Airport. Mr. McMahan said that there is some concern that Buchanan Field is turning into a hobbyist airport. The community believes this is their airport and the JetSuiteX service, along with the flight schools and various clubs, serves to fortify that belief.

- **MOGAS:**

Mr. Freitas explained that Airport staff is currently working with the entity to complete the use agreement and environmental review process. They will be one of the few MOGAS service providers in the area and, because it does not contain any low lead mixture, it is more environmentally friendly.

Harvard Holmes stated that a fair number of planes use MOGAS and explained the benefit of MOGAS. Russell Roe added that the availability of MOGAS at Buchanan would likely bring more business to the area.

f. 2016 Construction Projects for Upcoming Year's FAA Grant

Keith Freitas reported that Airports staff is currently awaiting FAA funding for the Taxiway Echo and Kilo pavement replacement/reconstruction and electrical enhancements project (including pilot-controlled lighting), which they hope to begin this summer. This project is dependent on FAA funding. Additionally, a consultant has been selected to design the overlay and reconstruction of Runway 14L/32R. This will be about a \$3.5 million project and is scheduled for 2017.

g. Aerobatic Noise Letter

Aerobatic activity has been occurring in the Brentwood area for several decades. However, growth in the area has led to some complaints from residents regarding aerobatic activity. A letter was sent in 2015 to let pilots know that these activities are generating noise complaints. The community noticed a decline in operations after the initial letter was sent. As aerobatic operations began to increase again, a request was

made to re-send the letter. None of the aerobatic activity is based at Buchanan Field or Byron Airports.

Russell Roe wanted to make sure that the correct parties are being targeted to receive the aerobatic letter.

h. AAC Officer Elections

- Rudi Raab nominated Ronald Reagan to continue as Chair.
Moved by Rudi Raab; seconded by Tom Weber. Approved unanimously.
Yes: Roger Bass, Mike Bruno, DeWitt Hodge, Keith McMahon, Derek Mims, Rudi Raab, Ronald Reagan, Russell Roe, and Tom Weber. No: None. Abstained: None. Absent: Maurice Gunderson.
- Tom Weber nominated Mike Bruno to continue as Vice Chair.
Moved by Tom Weber; seconded by Derek Mims. Approved unanimously.
Yes: Roger Bass, Mike Bruno, DeWitt Hodge, Keith McMahon, Derek Mims, Rudi Raab, Ronald Reagan, Russell Roe, and Tom Weber. No: None. Abstained: None. Absent: Maurice Gunderson.
- Derek Mims nominated DeWitt Hodge to continue as Secretary.
Moved by Derek Mims; seconded by Roger Bass. Approved unanimously.
Yes: Roger Bass, Mike Bruno, DeWitt Hodge, Keith McMahon, Derek Mims, Rudi Raab, Ronald Reagan, Russell Roe, and Tom Weber. No: None. Abstained: None. Absent: Maurice Gunderson.

i. AAC Submit Brown Act Verification

Ronald Reagan reminded AAC members to complete the Brown Act certifications and submit to Airport staff.

UPDATES/ANNOUNCEMENTS

a. What is happening at Buchanan Field & Byron Airports/Other Airports

Nothing to add.

b. Airport Land Use Commission (ALUC) Update

Tom Weber reported that the ALUC is going through the approval process for the former K-Mart shopping center.

c. AAC Announcements

Ronald Reagan announced that the Transportation Authority pulled out the Vasco to Armstrong Road Airport connector project from the rest of the Route 239 project so it will be a separate item. Mr. Reagan read a statement from a member of the Transportation Authority. After the plan is approved, it will be submitted to each city and county for approval in order to make it onto the November ballot.

d. Airport Staff Announcements

None

e. Statement from Art Thompson, PSA, at March Meeting

The written statement from Art Thompson regarding the Aviation Business representative selection process was reviewed by County staff and it was determined that there was no violation of the Brown Act. Ronald Reagan asked for public comments. Being none, he gave Mike Bruno an opportunity to respond to the allegations made in Mr. Thompson's statement. Mr. Bruno distributed a written response and made copies available to interested parties. Russell Roe suggested that Mike Bruno's response letter be included in the next AAC agenda packet.

FUTURE AGENDA ITEMS/COMMENTS

- Proposed implementation of wind turbines near Byron Airport
- Improving facilities at Byron Airport

ADJOURNMENT: The meeting was adjourned by the Chair at 10:50 a.m.

DRAFT

**CONTRA COSTA COUNTY
AVIATION ADVISORY COMMITTEE
MINUTES OF MEETING
May 12, 2016**



MEETING CALLED: Chair Ronald Reagan called the meeting to order at 10:00 a.m.

PRESENT: **Mike Bruno, Vice Chair**, CCC Airports Business Association
Maurice Gunderson, Member at Large
DeWitt Hodge, Secretary, Member at Large
Derek Mims, City of Pleasant Hill
Rudi Raab, District I
Ronald Reagan, Chair, District III
Russell Roe, District V
Tom Weber, District IV

ABSENT: **Roger Bass**, District II

STAFF: Keith Freitas, Director of Airports
Beth Lee, Assistant Director of Airports
Judy M. Evans, Airport Secretary

**OPENING COMMENTS
BY CHAIR:** Ronald Reagan welcomed attendees.

**PUBLIC COMMENT
PERIOD:** Mike Haus inquired about the TDMC hangar and said he is putting together a presentation for the AAC. Ronald Reagan explained that this item is on the agenda and will be discussed over the course of the meeting.

Duane Allen requested that the awning be placed on the D-Row again, and asked if the County can move the dilapidated aircraft from the East Ramp to the Gravel Ramp or some other less visible area.

**APPROVAL OF
MINUTES:** Moved by Maurice Gunderson; seconded by Rudi Raab. Approved unanimously. Yes: Mike Bruno, Maurice Gunderson, DeWitt Hodge, Derek Mims, Rudi Raab, Ronald Reagan, Russell Roe, and Tom Weber. No: None. Abstained: None. Absent: Roger Bass.

**APPROVAL OF
CONSENT ITEMS:**

Moved by Mike Bruno; seconded by Maurice Gunderson. Approved unanimously. Yes: Mike Bruno, Maurice Gunderson, DeWitt Hodge, Derek Mims, Rudi Raab, Ronald Reagan, Russell Roe, and Tom Weber. No: None. Abstained: None. Absent: Roger Bass.

PRESENTATION/SPECIAL REPORTS: None

DISCUSSION/ACTION ITEMS:

a. Items Pulled from Consent

None

b. Byron Hangar Inspections

Hangar inspections are conducted every four years at each Airport to confirm compliance with the primary aviation use of the space and to ensure there are no issues with the hangars as part of the Airport's due diligence process. Notices will be going out to Byron tenants to notify them of the upcoming inspection in the fall. Ronald Regan expressed interest in attending the Byron inspections. AAC members are welcome to attend and a copy of the inspection letter, which includes the date range for the inspections, will be included in the next AAC packet.

c. Collings B24/B17 June 8-12

Keith Freitas announced that the Collings Foundation will return to Buchanan Field this year from June 8th through June 12th. They are planning to bring the B24, B25, B17, and the P51.

d. Tenant BBQ May 5, 2016

Keith Freitas reported that over 450 tenants attended the Tenant BBQ this year making it the highest attended to date.

e. Set Meeting Calendar for June 2016 – May 2017

The meetings will continue to be the second Thursday of each month at 10:00 am.

f. Business Items:

• **Scheduled Airline Charter Service**

JetSuiteX started their scheduled charter service on April 21, 2016. They are averaging about 16 or more passengers per day. There are some challenges associated with JetSuiteX's website, but aside from that the new service is doing well. JetSuiteX is hiring locally and are currently looking for a marketing person to work with local businesses. Since the start of

operations, there have been no noise complaints directly attributed to the JetSuiteX service.

- **MOGAS**

There is an interested party that wants to sell MOGAS at Buchanan Field. The fueling facility would initially start out at the back ramp of 101 John Glenn Drive. If they are successful they will move to a more permanent location. It will be self-service and a code will be required to activate the fueling.

- **3 Acre Parcel**

There is an interested party that wants to put in light industrial business park development on the 3-acre parcel, located at the northeast corner of Marsh and Sally Ride Drive, which is noted on the Master Plan for non-aviation use. Airport staff is going through the General Plan Amendment process in order to get some building density restrictions modified so the property can be developed in the way in which it was intended. If successful, development is projected to begin in fall 2016.

- **Byron General Plan Amendment**

Beth Lee reported that Airport staff is working to get the Byron Airport land use in compliance with the adopted Master Plan through a General Plan Amendment process. An effort is being made to modify the land use and density restrictions placed on Byron Airport in order to facilitate development and make both airports comparable. Mike Bruno requested clarification on the zoning issue at Byron Airport. Byron Airport was rezoned, which allowed for a portion of the aviation uses. However, the General Plan land uses must be amended to reflect the desired full range of aviation and aviation-related uses in the Master Plan.

- **Fire Station 9 Location**

Contra Costa County Fire Protection District approached Airport staff about leasing space from the Airport. They are interested in relocating Fire Station #9 to a larger space with better access and are looking at the area where Center Street dead-ends into the Airport.

- **TDMC Hangar**

In December of 2015, TDMC gave their 12-month notice to terminate their lease. A few months later, TDMC requested to rescind their termination if they could assign their lease to another party. Airport staff is exercising their due diligence by evaluating the desired assignee and also soliciting for other interested parties. Airport staff will then make a recommendation to the AAC (if time allows), Airport Committee and then present it to the Board of Supervisors for final approval. There was discussion about the details of the lease, assignment, and the solicitation process.

Mike Haus did not receive the TDMC hangar solicitation and expressed concern. Keith Freitas stated Mr. Haus would get a copy of the solicitation letter (which was just mailed out the day before) after the meeting. Russell Roe reminded Mr. Haus that the AAC and Airport staff has asked for a written proposal from him many times in the past.

- **1500 Sally Ride Drive**

The lessees of 1500 Sally Ride Drive (the old Picchi hangar) are no longer interested in the property and would like to reassign it to the current occupant, Michael Oakes with Buchanan Aviation Services. A new lease has been drafted and should go before the Board of Supervisors in June.

g. Byron Airport Connector

Ronald Reagan reported that the Vasco to Armstrong Road Airport Connector portion of the 239 TriLink project has been pulled out as a stand-alone project. The Transportation Authority has recommended that it be included in Measure J. If Measure J is approved, the funding for the Route 239 project will also be approved. Mr. Reagan expressed his appreciation for the support from the AAC.

h. Byron 120 Acre Parcel Donation

About three years ago Airport staff was approached by Wildlands, Inc. regarding the donation of 120-acres of habitat management land across from the Byron Airport. A portion of the property is within the runway protection zone for runway 21. Airport staff plans to bring this to the Board of Supervisors in June or July. There are minimal habitat management requirements as compared to the County's HML obligations.

i. Byron Wind Turbine Project

Airport staff was advised about a month ago that the FAA is conducting an aeronautical study of approximately 34 wind turbines; the closest of which is 3.5 miles from the Byron Airport. The wind turbines are 499 feet tall and are all in Alameda County. The ALUC sent a letter to the FAA to ask for public hearings. Tom Weber stated that even though the wind turbines are not within the jurisdiction of Contra Costa County, concerns can still be voiced and recommendations can be made. Maurice Gunderson pointed out that the larger wind turbines are much more economical and will be the trend.

j. AAC Bylaws and DVC Letter to Relinquish AAC Seat

DeWitt Hodge reported that the amended AAC Bylaws were reviewed by the Airport Committee and have been sent to County Counsel for review. After County Counsel has reviewed and commented, the Bylaws will be sent to the Board of Supervisors for final approval. Once the Bylaws are approved, there will be a solicitation for the AAC At Large position, interviews by the Internal

Operations Committee (IOC), and once a candidate is selected, it will go before the Board of Supervisors for appointment.

UPDATES/ANNOUNCEMENTS

- a. **What is happening at Buchanan Field & Byron Airports/Other Airports**
Ronald Reagan reported that, according to the Contra Costa Transit Authority (CCTA), the Vasco Road to Armstrong Road Airport Connector will be included in the project list in Measure J.
- b. **Airport Committee Meeting Update**
Ronald Reagan made a report to the Airport Committee about the AAC and DeWitt Hodge presented the Supervisors with the amended AAC Bylaws.
- c. **Airport Land Use Commission (ALUC) Update**
None
- d. **AAC Announcements**
Ronald Reagan reminded AAC members to complete their Brown Act certifications.
- e. **Airport Staff Announcements**
None
- f. **Mike Bruno's Response Letter to Art Thompson's Statement**
Included in packet.

FUTURE AGENDA ITEMS/COMMENTS

- Helicopter Museum Presentation – Barry Lloyd

ADJOURNMENT: The meeting was adjourned by the Chair at 11:35 a.m.



EAST CONTRA COSTA FIRE PROTECTION DISTRICT

Meeting Minutes Board of Directors Regular Meeting

Monday June 6, 2016

Meeting Location: 3231 Main Street, Oakley

BOARD OF DIRECTORS		
Steve Barr	Joel Bryant-President	Randy Pope
Meghan Bell	Ronald Johansen-Vice President	Erick Stonebarger
Robert Kenny	Cheryl Morgan	Joe Young

CALL TO ORDER: (5:32 P.M.)

PLEDGE OF ALLEGIANCE: (5:32 P.M.)

ROLL CALL: (5:32 P.M.)

Directors Present: Barr, Bell, Bryant, Kenny, Morgan, Pope, Stonebarger, Young

Directors Absent: Johansen

PRESENTATIONS: (5:33 P.M.)

Administration the Oath of Office to the New Firefighters.

PUBLIC COMMENTS: (5:32 P.M.)

There was one (1) Public Speaker – Mark Whitlock

CONSENT CALENDAR: (5:38 P.M.)

C.1 Approve Minutes from May 2, 2016 Regular Board of Directors Meeting

Motion by: Director Young to approve consent item C.1

Second by: Director: Kenny

Vote: Motion carried: 7:0:1

Ayes: Barr, Bell, Bryant, Kenny, Morgan, Pope, Young

Noes:

Abstained: Stonebarger

Absent: Johansen

- C.2** Approve a Professional Services Agreement with City of Brentwood for Information Technology Services for FY 2016-17
- C.3** Approve a Professional Services Agreement with City of Brentwood for Administrative Services for FY 2016-17
- C.4** Approve a Three Year Contract with Hanson Bridgett LLP to provide General Counsel Services for FY 2016-17 through 2018-19
- C.5** Approve Cal Fire Amador Contract for Fiscal Year 2016-17
- C.6** Appoint a Director to Redevelopment Successor Agency Oversight Board for the City of Oakley

Motion by: Director Young to approve consent item C.2 – C.6

Second by: Director: Kenny

Vote: Motion carried: 8:0:0

Ayes: Barr, Bell, Bryant, Kenny, Morgan, Pope, Stonebarger, Young

Noes:

Abstained:

Absent: Johansen

Director Johansen arrived at 5:39 pm

DISCUSSION ITEMS

(5:39 P.M.)

D.1 City Manager Gus Vina gave an update from the Multi-Jurisdictional Fire Task Force

There were no (0) Public Speakers

(6:38 P.M.)

D.2 Receive Financial Audits for Fiscal Years Ending 2011, 2012, 2013, and 2014

There were no (0) Public Speakers

Motion by: President Bryant to receive and approve the Financial Audits for Fiscal Years Ending 2011, 2012, 2013, and 2014

Second by: Director Bell

Vote: Motion carried: 9:0:0

Ayes: Barr, Bell, Bryant, Johansen, Kenny, Morgan, Pope, Stonebarger, Young

Noes:

Abstained:

Absent:

(6:47 P.M.)

D.3 Adopt Preliminary Operating, Other Budgets for Fiscal Year 2016-17

There were no (0) Public Speakers

Motion by: Director Young to adopt Preliminary Operating, Other Budgets for Fiscal Year 2016-17

Second by: Director Kenny

Vote: Motion carried: 9:0:0

Ayes: Barr, Bell, Bryant, Johansen, Kenny, Morgan, Pope, Stonebarger, Young

Noes:

Abstained:

Absent:

(7:16 P.M.)

D.4 Adopt Resolution Setting a Consolidated Election to Change the Board of Directors from an Appointed Nine-Member Board to a Five-Member Board Elected at Large

There were five (5) Public Speakers - Bob Mankin, Stephen Smith, Susan Morgan, Mike Burkholder, Mark Whitlock

Motion by: Director Stonebarger to a Adopt Resolution Setting a Consolidated Election to Change the Board of Directors from an Appointed Nine-Member Board to a Five-Member Board Elected but without specifying "at large"

Second by: Director Barr

Vote: Motion carried: 8:1:0

Ayes: Barr, Bell, Bryant, Johansen, Kenny, Pope, Stonebarger, Young

Noes: Morgan

Abstained:

Absent:

(8:09 P.M.)

D.5 Elect to Become Subject to the Uniform Public Construction Cost Accounting Act for Building and Maintenance and Introduce and Waive First Reading of Ordinance to Provide Informal Bidding Procedures for Construction Contracts

There were no (0) Public Speakers

Motion by: Director Young to a elect to become subject to the Uniform Public Construction Cost Accounting Act for Building and Maintenance and to Introduce and Waive First Reading of Ordinance to Provide Informal Bidding Procedures for Construction Contracts

Second by: Director Stonebarger

Vote: Motion carried: 8:0:1

Ayes: Barr, Bell, Bryant, Johansen, Kenny, Pope, Stonebarger, Young

Noes:
Abstained: Morgan
Absent:

(8:13 P.M.)

D.6 Adopt Expense Reimbursement Policy and Procedures

There were no (0) Public Speakers

Motion by: Director Stonebarger to adopt Expense Reimbursement Policy and Procedures

Second by: Director Young

Vote: Motion carried: 9:0:0

Ayes: Barr, Bell, Bryant, Johansen, Kenny, Morgan, Pope, Stonebarger, Young

Noes:

Abstained:

Absent:

(8:17 P.M.)

D.7 Adopt Revised Board Policy 1-3.16 to Alter Voting Threshold for Board Actions

There were no (0) Public Speakers

Motion by: Director Pope to Adopt Revised Board Policy 1-3.16 to Alter Voting Threshold for Board Actions to allow action by a majority of Directors present (rather than a majority of the entire Board)

Second by: Director Barr

Vote: Motion carried: 9:0:0

Ayes: Barr, Bell, Bryant, Johansen, Kenny, Morgan, Pope, Stonebarger, Young

Noes:

Abstained:

Absent:

(8:25 P.M.)

D.8 Receive Operational Update for May 2016

There were no (0) Public Speakers

Chief Henderson gave an update on the Operations for May 2016

INFORMATIONAL STAFF REPORTS(8:27 P.M.)

Chief Henderson gave an update on the Firefighter Recruitment's / Graduation.

DIRECTORS' COMMENTS(8:27 P.M.)

President Bryant announced that he has appointed Director Bell to the Education/Outreach Committee.

INFORMATIONAL REPORTS AND REQUESTS FOR FUTURE AGENDA ITEMS FROM BOARD MEMBERS: (8:28 P.M.)

ADJOURN TO THE SPECIAL BOARD MEETING SCHEDULED: June 20, 2016 (8:28 P.M.)



EAST CONTRA COSTA FIRE PROTECTION DISTRICT

Meeting Minutes Board of Directors Special Meeting

Monday June 20 2016-6:30 PM

Meeting Location: 3231 Main Street, Oakley

BOARD OF DIRECTORS		
Steve Barr	Joel Bryant-President	Randy Pope
Meghan Bell	Ronald Johansen-Vice President	Erick Stonebarger
Robert Kenny	Cheryl Morgan	Joe Young

CALL TO ORDER: (6:31 PM)

PLEDGE OF ALLEGIANCE: (6:31 PM)

ROLL CALL: (6:32 PM)

Directors Present: Barr, Bell, Bryant, Johansen, Kenny, Morgan, Pope, Young

Directors Absent: Stonebarger

PUBLIC COMMENTS: (6:32 PM)

There were no (0) Public Speakers

DISCUSSION ITEMS:

(6:33 PM)

D.1 Receive Deployment Performance and Headquarters Staffing Adequacy Study (Master Plan)

There were four (4) Public Speakers – Gil Guererro, Jessica LaChance, Jeff Faust, Mary Delgado

Motion by: Director Young to Receive Deployment Performance and Headquarters Staffing Adequacy Study (Master Plan)

Second by: Director Pope

Vote: Motion carried: 8:0:0

Ayes: Barr, Bell, Bryant, Johansen, Kenny, Morgan, Pope, Young

Noes:

Abstained:

Absent: Stonebarger

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(8:12 PM)

D.2 Adopt Revised Resolution to Transition from an Appointed Board to an Elected Board

There were six (6) Public Speakers – Stephen Smith, Mary Delaten, Mike Burkholder,
Mark Whitlock, Susan Morgan, Gil Somerhalder

Motion by: Director Young Adopt Revised Resolution to Transition from Appointed Board to an Elected Board of 5 at large.

Second by: Director Johansen

Vote: Motion carried: 4:4:0

Ayes: Barr, Johanson, Morgan, Young

Noes: Bell, Bryant, Kenny, Pope

Abstained:

Absent: Stonebarger

Motion by: Director Pope to table this item until the next meeting on July 11, 2016.

Second by: Director Bell

Vote: Motion carried: 7:1:0

Ayes: Barr, Bell, Bryant, Kenny, Pope, Morgan, Young

Noes: Johanson

Abstained:

Absent: Stonebarger

DIRECTORS' COMMENTS: (9:16 PM)

Director Bryant – It is a big time commitment to serve as a Director on this Board.

INFORMATIONAL REPORTS AND REQUESTS FOR FUTURE AGENDA ITEMS FROM BOARD MEMBERS: (9:17 PM)

Director Kenny would like to add a future agenda item concerning enactment of a stipend for the new elected board.

ADJOURN TO THE REGULAR BOARD MEETING SCHEDULED: July 11, 2016: (9:19 PM)

Howard G. Patton
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June 17, 2016

Discover Bay Town Manager
Discover Bay Town Board

Dear Manager and Board Members,

The past several weeks on Saturdays a tennis-playing group comprised of mostly non-Discovery Bay residents has been reserving 5-6 tennis courts at the Recreation Center. The effect of these reservations is that residents and taxpayers of Discovery Bay are excluded from the courts. The policy of allowing non-residents and non-local taxpayers to usurp local residents and tax payers needs to be reviewed and changed. In addition there has been non-friendly confrontation.

For over 30 years residents have enjoyed "drop in tennis" on Saturday and Sunday mornings on these courts, long before there was a Town Center. This drop-in approach to tennis encourages Discovery Bay owners to take up and enjoy tennis. The present policy is killing that usage. Already several Discovery Bay tennis playing residents have relocated their Saturday morning tennis to a private club in Oakley.

The present policy reaches beyond just tennis. The policy diminishes the value of the Community Center to residents. The effect then reflects on the desire of local taxpayers to support the Center and other endeavors put forth by the Town Management and Board. This even reaches down to the interest of owners to support a Fire District tax proposal for example and local merchants.

As pointed out, the players reserving the courts are from an outside tennis group holding tournaments on the courts Saturday mornings. In the past two instances only four of the estimated 50 players have been Discovery Bay residents. So basically the community is supplying a facility for non-residents.

The Saturday morning drop-in-group has long helped to maintain the courts. Members of the group including myself have fixed broken equipment, paid for repair materials and been major users of the facility. Our loose resident's association has supported the Community Center and worked in concert with the Management to help them understand the needs of residents and the game of tennis.

As a suggestion, schedule the outside use of the courts after 11:00 AM on Saturdays/Sundays or limit them to two courts (We have two age and skill levels using the courts on Saturday mornings requiring four courts).

Thank you for your consideration. I and others await your response.

Howard Patton

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July 8, 2016

Discover Bay Town Manager, Catherine Kuturis
Discover Bay Town Board

Dear Catherine ,

Thank you for taking the time to meet with Arnie Plonzac and me yesterday. The meeting was informative and I think the Town Management has a better understanding of value and need for "drop in tennis" on Saturday and Sunday.

As we stated, our preferred plan is to have two courts available on Saturday for each of the two Town resident groups. The group called "Early Birds" would like two courts on Saturday from 8am until 10 am. After which those courts can be used for other groups or players. The second group can work with two courts from 8 am until 11 am and then could reduce to one court. This would allow the reserved court usage to expand to five courts for after 11am. So basically this plan allows for three groups to be using two courts each prior to 10am and allow four to be assigned after 10am then five of the six courts at 11 am.

Of course there are other options, which we talked about such as no outside reserved groups on Saturday until 11am. Sunday is not an issue as only one Town residents group play on Sunday.

As we discussed, the drop-in program on Saturday and Sunday has existed in Discovery Bay for over 35 years, it is a Discovery Bay tradition. It enhances the community values, it is a significant physical activity assisting in good health for residents and promotes tennis, which promotes increased residents participation in the Community Center.

We understand commitments have been made reserving some courts in the future and those commitments must be honored.

Again, thank you for your time and patience and committing to help solve this problem. Thank you for listening.

As an aside, many players/residents have made the assumption that since the posted schedule indicated outside NCTA tournament tennis is to start at 11:00 that the Town policy has changed. Thanks for clarifying that point.

Howard Patton

Cc: Board of Directors, Discovery Bay

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July 10, 2016
Discover Bay Town Manager, Catherine Katuris

Dear Catherine ,

As a follow up I'll share a bit of weekend tennis information with you, in particular the Drop-Ins and the USTA tournament on Saturday.

- At 8:15 AM all six usable courts were in use by 24 Discover Bay residents
- At 10:00 the front court people departed leaving 14 Residents plying on the four back courts.
- About 10:45 USTA players began to arrive at which point the remaining resident players moved to the two front courts.
- From that time on the USTA players had the four back courts.

So it appears starting outside group tournaments works well when starting at 11:00.

A loose count of the number of Residents involved in the Saturday/Sunday drop is 40-50. This varies with respect to the weather and holidays of course. Two new Residents have joined the drop-in groups in the past two weeks.


Howard Patton

Cc: Board of Directors, Discovery Bay
Discovery Bay tennis group.